

FBIS**DAILY REPORT
CONTENTS*****China***

Vol I No 008

11 January 1985

PRC INTERNATIONAL AFFAIRS

GENERAL

Further Reportage on U.S.-Soviet Arms Talks	A 1
Obstacles Still Remain	A 1
U.S. Envoy on Difficulties	A 2
McFarlane Briefs Italians on Talks	A 2
Zhao Receives Envoys From YAR, Guinea, India	A 3
Zhao Ziyang Meets New Belgian, Venezuelan Envoys	A 3
International Film Festival Opens in Beijing	A 3
PRC To Display Exports at 12 Fairs Over 6 Months	A 3
Defense Technology Exhibit Planned for Beijing	A 4

UNITED STATES

Reagan Hopes for 1985 Dialogue With USSR	B 1
Former U.S. Officials Comment on Geneva Talks	B 1

SOVIET UNION

Soviet Comment on Talks With U.S. in Geneva	C 1
PRAVDA Commentary Cited	C 1
Politburo Statement	C 1

NORTHEAST ASIA

DPRK Paper on Tripartite Talks, 'Team Spirit-85'	D 1
Official on Talks, Maneuvers	D 1
Kim Il-song Meets Sihanouk at Assembly Hall	D 1

SOUTHEAST ASIA & PACIFIC

Further Reportage on SRV Cambodian Offensive	E 1
ASEAN Countries Denounce SRV	E 1
Reporter Talks to Thai Officer	E 1
Thai Official on Soviet Support	E 2
Battle Reports	E 2
PRC, Australia To Cooperate in Energy Research	E 3
Briefs: Guangzhou Australian Beef Exhibition	E 3

SOUTH ASIA

PLA Delegation Concludes Visit to Pakistan	F 1
Mother Teresa To Begin 3-Day PRC Visit 20 Jan	F 1

EASTERN EUROPE

East Europeans React to Gromyko-Shultz Talks	H 1
Leaders Welcome Negotiations	H 1
Press Comments	H 1
Further Press Comments	H 2
SFRY on Importance of Talks	H 2

PRC NATIONAL AFFAIRS

Ninth Meeting of NPC Standing Committee Opens	K 1
Peng Zhen Presides	K 1
Zhao Plan for Foreign Contracts	K 1
Inheritance Law Considered	K 2
PLA Commanders, Fighters To Wear New Uniforms	K 2
Top Leaders' Inspection Tours Set Example	K 3
Wan Li Addresses Socialist Ethics Committee	K 4
RENMIN RIBAO Urges Protection of Forests [31 Dec]	K 4
Wan Li Writes to Youth Afforestation Meeting	K 5
CYL Honors Efforts	K 6
Socialist Literature Enters New 'Golden Age'	K 6
[CHINA DAILY 11 Jan]	
Wang Meng Comments on Literary Freedom, Leftism	K 7
Hu Qiaomu on Recommending Excellent Books	K 9
[GUANGMING RIBAO 27 Dec]	
He Jingzhi on Yannan Tradition in Literature, Art	K 11
[GUANGMING RIBAO 28 Dec]	
Article on Marx Theory of Surplus Value	K 14
[GUANGMING RIBAO 24 Dec]	
Urban Enterprises To Undergo Reform in 1985	K 16
[CHINA DAILY 10 Jan]	
RENMIN RIBAO Urges Developing Tertiary Industry [4 Jan]	K 17
Two Agencies Break Barriers, Jointly Recycle Coal	K 19
Commentator's Article	K 19
Ni Zhifu on Civilian, Defense Industry Cooperation	K 20
[JINGJI RIBAO 31 Dec]	
PLA Departments Commend Six Grassroots Units	K 22
PLA Commended for Saving Shengli Oil Workers	K 23
Agricultural Development Targets Outlined	K 24
National Legal Advisory Agency Established	K 25
State Council Urges 'Priority' for Electronics	K 25

PRC REGIONAL AFFAIRS

EAST REGION

Anhui Relaxes Policy on Fish Supply, Marketing	0 1
Nuclear Ministry Signs Contracts With Shandong	0 1
[DAZHONG RIBAO 31 Dec]	
Shanghai Issues 'Urgent' Rectification Circular	0 2
[JIEFANG RIBAO 7 Jan]	

CENTRAL-SOUTH REGION

Hubei To Reform Economic Planning System	P 1
Guan Guangfu Emphasizes Role of Hubei CPPCC	P 1
Hunan Conference on Township Enterprises Tasks	P 1

SOUTHWEST REGION

Guizhou Checks on Aluminum Mine's Practices	Q 1
YUNNAN RIBAO on Supporting Local Markets [26 Dec]	Q 1
Yunnan Frontier Guards Hold Victory Meeting [YUNNAN RIBAO 29 Dec]	Q 2
Yunnan People's Congress Committee Meeting Ends	Q 3

NORTH REGION

Zhou Hui Addresses Nei Mongol Communications Forum	R 1
--	-----

NORTHEAST REGION

Heilongjiang Circular on Unhealthy Trends Issued	S 1
Jilin Artists, Writers Study Hu Qili Speech	S 1
Shenyang Military Region Meets on Rectification [LIAONING RIBAO 22 Dec]	S 2
Liaoning CPC Committee Holds Reporters Forum [LIAONING RIBAO 29 Dec]	S 2

NORTHWEST REGION

Ningxia Relaxing Economic Policy in Rural Areas [NINGXIA RIBAO 27 Dec]	T 1
---	-----

TAIWAN

'Source' Reports General Strike in Lhasa	V 1
President Receives U.S. Congressmen 8 Jan	V 1

FURTHER REPORTAGE ON U.S.-SOVIET ARMS TALKS

Obstacles Still Remain

LD101756 Beijing XINHUA in English 1548 GMT 10 Jan 85

["Commentary: A Long Way Ahead for Soviet-U.S. Arms Control Talks"--XINHUA headline]

(By Chen Si and Ren Zhengde)

[Text] Geneva, January 9 (XINHUA) -- The Soviet-U.S. agreement on the renewal of their arms control talks marked a new starting point in their long-suspended talks, but there is still a long way ahead before the two superpowers achieve positive results in arms reduction. The agreement, characterized by experts here as a compromise after two-day heated bargaining between U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrey Gromyko, was based on the two sides' own needs.

Since the Soviet Union walked out of all arms talks with the United States in protest against the deployment of new U.S. missiles in Western Europe, people of the two countries as well as the world at large became more concerned over the tense international situation caused by the strained relations between the two superpowers. Under pressure from their allies and compelled by the heavy burden of their increased military spendings, leaders of both countries have to take a flexible attitude towards each other.

In their final agreement, the United States agreed to discuss space weapons with the Soviet Union while the Soviet side dropped its demand for a stop of NATO's deployment of U.S. Pershing-2 and cruise missiles in Western Europe as a precondition for the resumption of the talks. With further talks between the two sides on limiting nuclear arms agreed upon, the Geneva talks may help bring a "thaw" in relations between the two superpowers, thus leading to the improvement of relations between the East and West.

However, as far as the reduction of nuclear arms, which is of great importance to world peace, is concerned, the agreement on resumption of the talks does not represent the beginning of the talks and it is far away from an end to their nuclear arms race. As the two superpowers will continue their nuclear arms race and their contention for nuclear superiority, many people are worried that the forthcoming negotiations between the two superpowers will be protracted and it will not be easy for them to reach agreement. And there are reasons for such concerns.

First, each of the two superpowers has a plan of its own in the future negotiations. The Soviet Union, worried about U.S. breakthroughs in some areas of space weapons, reiterated the prohibition of "space militarization" as a "key" to such talks in an attempt to knock off President Ronald Reagan's "Star Wars" program. The United States, afflicted with what it calls "a break of balance" by its Soviet rival in medium-range nuclear arms, laid its emphasis on limiting strategic nuclear weapons, particularly on land-based intercontinental missiles so as to check the Soviet development in this area.

Second, the Soviet Union and the United States have wide differences over this positions on strategic, intermediate and space weapons. As the two sides are prepared to enter into negotiations on space weapons, President Reagan has said on many occasions that he will not allow the Soviets to bargain over his "Star Wars" program and he will carry the program though to the end. Meanwhile, Soviet Politburo member Mikhail Sergeyevich Gorbachev said during his visit to Britain late last year that if the United States does not make concession in limiting space weapons, "there will be no hope to reach agreement (with the Soviet Union) on limiting nuclear arms."

Third, the verification of the weapons of each side remains a major obstacle to an agreement between the two sides. At present, the two military rivals have innumerable complaints and suspicions about each other. Before the two foreign ministers opened talks in Geneva, Washington had made several statements, declaring that it would never sign an unverifiable agreement with Moscow on arms control. The Soviet Union, as everybody knows, has all along been opposed to any U.S. investigation on its soil.

All this shows that the forthcoming negotiations will not be an easy job and only good faith on both sides could make real arms reduction possible.

U.S. Envoy on Difficulties

OW110852 Beijing XINHUA in English 0645 GMT 11 Jan 85

[Text] Bonn, January 10 (XINHUA) -- U.S. Envoy Paul Nitze today drew attention to the difficulties in the upcoming U.S.-Soviet talks on arms reduction. Nitze, who is here to brief Federal German leaders on the U.S.-Soviet agreement to open a new round of negotiations on arms control, stressed at a press conference here that during the two-day talks between U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrey Gromyko, the two sides only discussed the framework of their future talks and did not go into details. He said there were "major differences" between the two sides and the negotiations might last many years.

Nitze, who attended the just concluded U.S.-Soviet Geneva talks, disclosed that the Soviet side showed no change in its stand on British and French missiles. It insisted on discussing the British and French nuclear missiles in its negotiations with the United States on medium-range nuclear weapons. But this ran counter to what the West demanded. Describing the U.S.-Soviet agreement on resumption of their talks on arms reduction as "an important and useful step" towards arms control, Nitze praised the U.S. allies in Western Europe, especially Federal Germany, for their "contributions" to the agreement.

Nitze met with Chancellor Helmut Kohl, Foreign Minister Hans-Dietrich Genscher and Defense Minister Manfred Woerner before the press conference.

A Federal German spokesman told reporters that Kohl was "very satisfied" with what the U.S. envoy had told him. He stressed that the Federal German Government hoped that 1985 would be a year of dialogue and negotiations. The spokesman said Bonn's policy remained to be based on the will of self-defense and the wish for negotiations.

McFarlane Briefs Italians

OW110848 Beijing XINHUA in English 0821 GMT 11 Jan 85

[Text] Rome, January 10 (XINHUA) -- The United States and its allies will deal with the Soviet Union with a flexible, firm and realistic attitude in the forthcoming U.S.-Soviet negotiations on arms control, said U.S. National Security Adviser Robert McFarlane here today.

McFarlane was addressing a press conference here after briefing Italian leaders on the just-concluded talks in Geneva between U.S. Secretary of State George Shultz and Soviet Foreign Minister Andrey Gromyko. He said that the two sides have wide differences over the "interdependence" of the three working groups in the forthcoming negotiations. He said the Soviet Union held that an agreement reached by one single group could not be enforced while the United States thought that any progress made by any of the three groups will represent a "positive deed." Asked whether NATO will stop installing U.S. missiles in Western Europe in view of the agreement reached by the two super-powers on resumption of their talks on arms reduction, McFarlane said in a single-word response, "No."

Meanwhile, in a statement issued after meeting with McFarlane, Italian Prime Minister Bettino Craxi expressed his satisfaction with the results of the Shultz-Gromyko talks. He said the future talks between the two superpowers "should be aimed at a gradual dismantlement of all nuclear weapons, including both offensive and defensive weapons."

He said the Italian Government was willing to continue working for increased mutual trust and cooperation between the East and the West so as to attain broader identity of views and guarantee international stability based on a military balance at the lowest possible level. Describing the upcoming U.S.-Soviet talks as "not easy," the prime minister said that to bring about peace, security, stability and development in the world, it is vitally important that the United States and Western Europe should work together closely and effectively.

ZHAO RECEIVES ENVOYS FROM YAR, GUINEA, INDIA

OW081153 Beijing XINHUA in English 1140 GMT 8 Jan 85

[Text] Beijing, January 8 (XINHUA) -- Premier Zhao Ziyang met on separation occasions here today Husayn 'Abd al-Khalia Al-Jalal, new ambassador of the Yemen Arab Republic to China; Fode Djibril Camara, new Guinean ambassador to China, and A.P. Venkateswaran, out-going Indian ambassador to China.

ZHAO ZIYANG MEETS NEW BELGIUM, VENEZUELAN ENVOYS

OW041220 Beijing XINHUA in English 1209 GMT 4 Jan 85

[Text] Beijing, January 4 (XINHUA) -- Chinese Premier Zhao Ziyang met with Jan Hollants van Loocke, new ambassador of Belgium to China, and Leonardo Diaz Gonzales, new ambassador of Venezuela to China, separately here this afternoon.

INTERNATIONAL FILM FESTIVAL OPENS IN BEIJING

OW081546 Beijing XINHUA in English 1502 GMT 8 Jan 85

[Text] Beijing, January 8 (XINHUA) -- Chinese film makers should learn from foreign films, advised film veteran Xia Yan here today. At the opening of the national world film festival he called for more works on life after economic reform. He predicted a gold age of film soon.

The two-week festival is jointly sponsored by the Society of China Film Literature, the Chinese Cinema Art Research Center and the National Television Film Studio. Three hundred editors and artists will be shown 50 films from the Soviet Union, the United States, Britain, Italy, France, Japan, Federal Germany, Spain, Poland and Czechoslovakia. Forums will be held on international film trends.

Concurrently, the Society of China Film Literature will hold its second annual meeting. The society's president revealed plans here today for awards in early 1986 for 1976 to 1984 scenarios. This will become a regular event. The 200-member society was founded in Shanghai in January, 1983. It has ties with Hong Kong and Japan.

PRC TO DISPLAY EXPORTS AT 12 FAIRS OVER 6 MONTHS

HK091201 Beijing ZHONGGUO XINWEN SHE in Chinese 0715 GMT 9 Jan 85

[Text] Beijing, 9 Jan (ZHONGGUO XINWEN SHE) -- China will hold 12 export commodities exhibitions in various countries in the first half of this year, displaying varieties of exhibits ranging from light industry, textiles, arts and crafts, food, metallurgy, machine-building, electronics, shipping, metals and minerals, building materials, chemical industry, medicines, native products, and animal by-products.

China scored great successes in foreign trade last year and the total volume of imports hit a record high of over \$40 billion. China has established economic and trade relations with more than 170 countries and regions. By the year 2000, the total volume of China's imports and exports is expected to top \$160 billion.

An exhibition of China's export commodities is to be held in Colombo, capital of Sri Lanka, from 16 February to 3 March this year, covering an area of 1,000 square meters. Exhibits will include products of the textile and other light industries, arts and crafts, food, machine-building, electronics, chemical industry, and medicines.

China will display its agricultural machinery, electronics, power machinery, various kinds of machines, and silk products at an international fair to be held in Kuala Lumpur, Malaysia, from 30 March to 14 April this year. Meanwhile, China will also display its export commodities at some other international fairs to be held in Dubai, United Arab Emirates; Tripoli, Libya; and Libreville, Gabon.

China will also participate in the Tsukuba International Science and Technology Fair, to be held in Japan from 17 March to 16 September, and the Nagoya International Import Commodities Fair, from 21 March to 14 April.

In Europe, China will take part in an international fair of household wares, in Amsterdam, The Netherlands; and exhibition of interior decoration in Liege, Belgium; a fair in Hanover, FRG; and an international fair to be held in Paris, France. All the above-mentioned exhibitions are to be held in April this year. At the champagne fair to be held in Troyes, France, from 31 May to 9 June, China will have an area of 1,000 square meters to display its arts and crafts, jewelry, food, silk products, and carpets.

DEFENSE TECHNOLOGY EXHIBITION PLANNED FOR BEIJING

OW101832 Beijing XINHUA in English 1507 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- An international defence technology exposition will be held in Beijing from November 1 to 11, 1986, under the sponsorship of Commedia Associates Ltd of Hong Kong. This was announced by Chak Nuen Fai, chairman of Commedia Associates Ltd, at a new year reception by him at the Great Hall of the People here this evening.

On display at the exposition will include technologies, armaments and equipment for all military services.

A concurrent international conference will be held place at the exposition drawing experts from the world over to explore the development of defense technology and its impact on strategy and tactics today and tomorrow. The whole activity is projected to involve more than 400 participating units and a sizable number of international defence professionals.

The China Council for the Promotion of International Trade will play host to the exhibitors.

Commedia Associates Ltd had held a naval technology and shipboard defence electronics show in Shanghai in 1983, with 81 corporations and professional organizations from major countries over the world participating.

REAGAN HOPES FOR 1985 DIALOGUE WITH USSR

OW101044 Beijing XINHUA in English 0845 GMT 10 Jan 85

["Reagan Wishes 1985 Be Year of Dialogue With Soviets (by Bao Guangren)" -- XINHUA headline]

[Text] Washington, January 9 (XINHUA) -- U.S. President Ronald Reagan expressed the hope this evening that the just concluded Shultz-Gromyko meeting in Geneva, while only a single step, "is the beginning of a new dialogue between the United States and the Soviet Union." At his first news conference this year, Reagan said, "It's also my hope that as 1985 unfolds, this year will emerge as one of dialogue and negotiations, a year that leads to better relations between the United States and the Soviet Union."

He said Shultz reported to him upon his return from Geneva today "the full details of his discussions with Soviet Foreign Minister Gromyko." He said he believes "a more stable peace is achievable through these negotiations."

Washington and Moscow agreed to resume negotiations on reducing strategic nuclear arms and medium-range missiles in Europe and to begin a third set of negotiations on "preventing an arms race in space."

Reagan said the U.S. will be "flexible, patient, and determined" and now the U.S. looks to the Soviet Union to help give new life and positive results to that process of dialogue. However, Reagan defended his "Star Wars" program by saying it is "a research program" which is "within the provisions" of the anti-ballistic missile treaty (ABM) signed in 1972. He said the U.S. is "searching for a weapon that might destroy nuclear weapons, not be nuclear itself." Asked whether he feels that this might be the time now to have a summit with Soviet leader Konstantin Chernenko, Reagan said that he was "perfectly willing" if it "could be helpful." But he said a simple get-acquainted session would not "make very much sense."

There has been much criticism at home that Reagan has achieved nothing during his first term in improving relations with the Soviet Union. The agreement for resuming negotiations in the near future is considered here as a sign that Reagan will "do something" in diplomatic fields in his second term and improve to a certain extent the tense U.S.-Soviet relations.

FORMER U.S. OFFICIALS COMMENT ON GENEVA TALKS

OW101926 Beijing XINHUA in English 1909 GMT 10 Jan 85

[Text] Washington, January 10 (XINHUA) -- Former senior U.S. officials called the U.S.-Soviet agreement on resuming arms talks an encouraging first step but foresaw difficult negotiations ahead. Former Secretary of State Cyrus Vance was quoted by the press today as saying that "I am glad to see that a preliminary agreement has been reached." He added that "it means that we will be moving on to serious negotiations, but it is going to require some hard slogging to reach a substantive agreement."

Former Secretary of State Henry Kissinger argued the prediction by most of the analysts that the Soviet Union will continue to seek American concession. "The Soviets seem to me so eager for an agreement that if we are patient, if we do not get over-eager, we can achieve the objectives that have been set by the President," Kissinger said on the ABC television program earlier this week.

On the effect of the agreement, Zbigniew Brzezinski, former national security adviser to President Jimmy Carter, said: "To some extent, it is a procedural device to give the Soviets the alibi that they are not just going back to the old talks they aborted." He added that "in fact, what we are doing is reopening two old sets of talks and adding a third set."

SOVIET COMMENT ON TALKS WITH U.S. IN GENEVA

PRAVDA Commentary Cited

OW102134 Beijing XINHUA in English 1431 GMT 10 Jan 85

[Text] Moscow January 10 (XINHUA) -- The Soviet newspaper PRAVDA, commenting on the results of the just-concluded USSR-U.S. Geneva talks today, hoped that "the United States will display realism" and "join the Soviet Union in the search for effective solutions" in future arms limitation talks.

The paper's commentary said: "Following two days of intensive discussion the U.S. delegation at long last assumed a position which makes it possible to open new negotiations between the USSR and the U.S.A., to embark on a dialogue which should be based on the principle of equality and equal security of the sides." However, the commentary pointed out that "in the process of preparation for the negotiations and in the course of these negotiations the sides should strictly adhere to the objective that has been announced in the joint Soviet-U.S. statement."

The commentary reiterated the Soviet stand that an end to the arms race on earth would be impossible without first reaching agreements aimed at preventing an arms race in space.

Politburo Statement

OW110252 Beijing XINHUA in English 0238 GMT 11 Jan 85

[Text] Moscow, January 10 (XINHUA) -- The Politburo of the Soviet Communist Party Central Committee stressed in a meeting here today that "only strict observance during the forthcoming negotiations of the reached agreement in all of its parts can ensure real progress" in the way to halt the arms race, remove the danger of nuclear war, and eventually eliminate nuclear weapons, according to a report of the Soviet news agency TASS.

The meeting, after hearing a report by Foreign Minister Andrey Gromyko on his talks with U.S. Secretary of State George Shultz in Geneva this week said this was the Soviet Union's principled and constructive attitude toward the negotiations. The Soviet Union hoped the United States would adopt the same attitude, the meeting added.

DPRK PAPER ON TRIPARTITE TALKS, 'TEAM SPIRIT-85'

OW101904 Beijing XINHUA in English 1632 GMT 10 Jan 85

[Text] Pyongyang, January 10 (XINHUA) -- The newspaper MODONG SINMUN, commenting on the first anniversary of the DPRK proposal for tripartite talks, today urged the United States and South Korea to respond to the proposal at the earliest possible date. The proposal, the newspaper said, is a realistic and positive alternative for relaxing tension and securing peace on the Korean peninsula.

It criticized the United States and South Korea for their planned large-scale "Team Spirit-85" joint military exercises, saying the United States and South Korea are answering the proposal with a "policy of strength" and shying away from the tripartite talks.

Reiterating the DPRK's stand for peaceful reunification of the country, the paper stressed that the DPRK will never beg for dialogue nor will it beg for peace and reunification from those who advocate confrontation. The paper demanded that the United States and South Korea immediately cancel their joint exercises.

The DPRK is unshakeable in its stand for a peaceful solution to the Korean issue and it will continue its effort to realize the tripartite talks, it said.

Official on Talks, Maneuvers

OW110808 Beijing XINHUA in English 0754 GMT 11 Jan 85

[Text] Pyongyang, January 11 (XINHUA) -- A senior official of the Democratic People's Republic of Korea was quoted today as saying that it is of primary importance for Korea's reunification to hold tripartite talks and to upgrade the North-South dialogue as early as possible. Party Politburo member and Chairman of the Committee for the Peaceful Reunification of Fatherland Ho Tam said that to hold tripartite talks with the United States and South Korea as early as possible will help ease the tensions on the Korean peninsula and promote the North-South dialogue.

He reaffirmed the proposal that the North-South dialogue be upgraded to higher-level political talks which, he said, will improve relations between the North and the South and lead to solutions to the complex and difficult problems of the reunification. Ho Tam also accused the United States and South Korea of staging a large-scale joint military exercise code named "Team Spirit-85."

KIM IL-SONG MEETS SIHANOUK AT ASSEMBLY HALL

OW110756 Beijing XINHUA in English 0706 GMT 11 Jan 85

[Text] Pyongyang, January 11 (XINHUA) -- President of the Democratic People's Republic of Korea (DPRK) Kim Il-song and his wife yesterday met President of Democratic Kampuchea Samdech Norodom Sihanouk and Madame Sihanouk at the Kumsusan Assembly Hall. Present there were Li Chong-ok, DPRK vice-president, and Kim Yong-nam, vice-premier and foreign minister. Samdech Norodom Sihanouk arrived here from Beijing yesterday afternoon.

FURTHER REPORTAGE ON SRV CAMBODIAN OFFENSIVE

ASEAN Countries Denounce SRV

0W101748 Beijing XINHUA in English 1650 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- ASEAN countries have denounced the recent Vietnamese drive against Kampuchea resistance forces, reaffirming their support for the Coalition Government of Democratic Kampuchea, according to reports reaching here this evening. As part of their dry-season offensive, Vietnamese troops earlier this week captured the Ampil camp, headquarters of the Khmer People's National Liberation Front (KPNLF) led by Prime Minister Son Sann of the Coalition Government of Democratic Kampuchea.

Chairman of the ASEAN Standing Committee Tengku Ahmad Rithauddeen, who is also Malaysia's foreign minister, said in a written statement issued Wednesday on behalf of ASEAN (Association of the Southeast Asian Nations), that the Vietnamese military action again reveals that country's utter disregard of international opinion which has overwhelmingly rejected Vietnam's policy of continued military occupation of Kampuchea.

"It demonstrates Vietnamese single-minded pursuit of a military solution of the Kampuchean problem and belies its professed peaceful intentions and desire to seek a negotiated settlement of the problem," he said.

In Manila, Philippine Foreign Minister Arturo Tolentino said that Vietnamese attacks "can only exacerbate the plight of thousand of suffering Kampuchea refugees who have been forced to seek safety into neighboring Thailand."

Meanwhile, Indonesian Foreign Minister Kusumaatmaja Mokhtar said in Jakarta that the Vietnamese success at Ampil would be short-lived. It might paralyze the camp but it would not paralyze the fighting spirit of the guerrillas, he said.

A Singapore Foreign Ministry spokesman also described the withdrawal of Kampuchean resistance forces from Ampil as "war strategy." The KPNLF fighting forces remained intact for further struggle, he added.

ASEAN members are Thailand, Maylaysia, Indonesia, Singapore, the Philippines, and Brunei.

Reporter Talks to Thai Officer

0W101337 Beijing XINHUA in English 1234 GMT 10 Jan 85

[Text] Bangkok, January 10 (XINHUA) -- 5,000 soldiers of the Khmer People's National Liberation Army (KPNLA), who retreated on January 8 from their headquarters in Ampil, are busy preparing for a counterattack on the Vietnamese occupiers. XINHUA correspondent Zhu Zhenguo, who came back here this morning, was informed of the situation by Colonel Chettha Thanacharo, deputy commander of the task force guarding the eastern part of Thailand bordering Kampuchea, yesterday.

The KPNLA is the Armed Forces of the Khmer People's National Liberation Front (KPNLF) led by Prime Minister Son Sann of the Coalition Government of Democratic Kampuchea. The KPNLF has borne the brunt of Vietnamese attacks since they started their dry-season offensive in mid-November. Briefing reporters at the headquarters of the task force near Aranyaprathet on the border with Kampuchea, Chettha said that KPNLA soldiers from Nong Chan and Nong Samet, two major bases assaulted earlier by the Vietnamese, were trying to join forces with those who had retreated from Ampil to help with the counter-attack. The Vietnamese overran Ampil camp since they had deployed a greater number of troops, supported by artillery and tanks, the colonel said.

Thai Supreme Commander General Athit told reporters in a border village on the same day that a group of Vietnamese troops occupying Ampil camp crossed the border into Thailand Wednesday afternoon. Thai frontier guards warned the intruders over a loudspeaker. After a face-to-face meeting with Thai officers, the Vietnamese withdrew to Kampuchea.

It was reported that more Thai troops and armored cars had moved into positions opposite Ampil, which is only a few hundred meters across the Thai border. Commander of the First Thai Army Region Pichit Kullavanich yesterday warned the Vietnamese, saying "If they did not pull back, we would have to resort to force to defend our sovereignty."

Thai Official on Soviet Support

OW101341 Beijing XINHUA in English 1240 GMT 10 Jan 85

[Text] Bangkok, January 10 (XINHUA) -- The Vietnamese will not be able to carry on their fighting in Kampuchea without Soviet military support, Prasong Sunsiri, secretary-general of the Thai National Security Council, told reporters here yesterday. [in] Soviet Union could not shirk its responsibility for the Vietnamese attacks on Kampuchea refugee camps, he said.

In the past two months, Prasong said, the Soviet Union had increased its military strength at Vietnamese harbors and provided more munitions to Vietnam while paradoxically claiming to work for the peace and tranquility of the region. By early last December the Soviets had stationed 14 "MIG-23" fighters at Cam Ranh Bay, its main naval base in Vietnam, in addition to seven medium-sized "TU-16" bombers transferred there a month earlier, Prasong noted. The Soviets have moved to Cam Ranh Bay the aircraft carrier "Minsk" besides submarines and other warships, he added.

Battle Reports

OW110932 Beijing XINHUA in English 0630 GMT 11 Jan 85

[Text] Beijing, January 11 (XINHUA) -- The National Army and guerrillas of Democratic Kampuchea inflicted heavy casualties on Vietnamese troops in Battambang Province early this month, Radio Democratic Kampuchea reported. On January 5 in the Sisophon region, the Vietnamese moved 200 troops from Sisophon town to the Takong stronghold as reinforcements after the fall of the nearby Popul stronghold at the end of last year. The Democratic Kampuchean forces launched an attack on the same day on the Takong stronghold, killing 60 enemy troops and destroying all military installations. They seized two artillery pieces and more than 5,000 rounds of ammunition after a battalion of Vietnamese abandoned its position and fled.

On January 2, the Democratic Kampuchean forces liberated 10 villages in the same region after wiping out the Vietnamese troops from Ta Pun village to Thmar Kok town in a one-and-a-half-hour fight. On January 4, they forced a battalion of Vietnamese in the area west of Ampil Pramdam to abandon its camp.

In the Mong district, the Democratic Kampuchean forces on new year's day captured the Kau Kok stronghold in a 10-minute fight, killing 13 soldiers and destroying the Kau Kok regime office. On January 5, they took the Kan Duk stronghold, occupied by a platoon of Vietnamese, and killed 12.

In the Thmar Puok district, the Democratic Kampuchean forces destroyed a Vietnamese stronghold and office in Kok Romeat on January 2. Two days later, the National Army attacked and took the Kompong Preang regime office and liberated two villages.

In the Samlot district, the National Army and guerrillas attacked a company of Vietnamese troops in the area south of the district town on January 6, killing 17 and seizing weapons and ammunition.

PRC, AUSTRALIA TO COOPERATE IN ENERGY RESEARCH

OW080739 Beijing XINHUA in English 0640 GMT 8 Jan 85

[Text] Xining, January 8 (XINHUA) -- Qinghai Province and an Australian firm will jointly build a solar energy experiment and demonstration center in Gonghe County, according to the Qinghai Solar Energy Research Institute.

The center, to be built by the Qinghai Provincial Science and Technology Commission and the Southern Cross Corporation of Australia, will be used to design and test equipment powered by solar and wind energy, and to train technicians.

The Qinghai commission will invest 250,000 yuan for test instruments and equipment for the center, while the Australian firm will provide solar and wind equipment worth 40,000 Australian dollars.

Qinghai is one of the regions designated by the state to pioneer the development of solar and wind energy. Gonghe County, located along the southern shore of Qinghai Lake, is one of the sunniest areas in China.

The center will begin operations this autumn.

BRIEFS

GUANGZHOU AUSTRALIAN BEEF EXHIBITION -- Guangzhou, January 8 (XINHUA) -- An Australian beef industry and associated technology exhibition opened today at the foreign trade center here. It is the first exhibition held in China by an unofficial organization, the Australia-China Trade Promotions Pty Ltd, Australia. On display are products from 40 Australian companies, including fodder grass processing equipment, facilities for fodder grass hothouses and beef processing and cooking equipment. Experts from 15 pastoral regions including Qianghai, Tibet, Gansu, Heilongjiang and Yunnan are in Guangzhou visiting the exhibition, which will last one week. [Text] [Beijing XINHUA in English 1253 GMT 8 Jan 85 OW]

PLA DELEGATION CONCLUDES VISIT TO PAKISTAN

OW110140 Beijing XINHUA in English 0124 GMT 11 Jan 85

[Text] Karachi, January 10 (XINHUA) -- A goodwill delegation of the Chinese People's Liberation Army (PLA) left here for home tonight after an 11-day visit to Pakistan.

Talking to XINHUA before departure, He Zhengwen, leader of the delegation and a deputy chief of the PLA General Staff, said "We are returning to China bringing back the profound and intimate friendship the Pakistan Armed Forces and people cherish for the Chinese PLA and people. Through this visit, we have enhanced mutual understanding, deepened our friendship and the PLA delegation has learned a lot from the Pakistan friends.

In Islamabad, the Chinese delegation met and had a cordial talk with Pakistan President General Ziaul Haq, who is also the Army chief of staff. Shortly before the delegation's departure from the capital, the president conferred the "Nishan-e-Imtiaz" award (a military award of the highest class in peace time) on He Zhengwen to commend his contributions to the PLA and to the ever-increasing bonds of friendship between the two Armies.

The delegation also met with Khalid Mahmud Arif, vice chief of the Army Staff, and other Pakistan ranking officers. The guests visited military headquarters, academies and naval facilities. They also went sightseeing at historical sites in Islamabad, Lahore, and Karachi.

Chinese Consul General Wang Disan gave a banquet at the consulate general here yesterday evening for the delegation.

MOTHER TERESA TO BEGIN 3-DAY PRC VISIT 20 JAN

OW090822 Beijing XINHUA in English 0814 GMT 9 Jan 85

[Text] Beijing, January 9 (XINHUA) -- Indian Nobel Peace Prize winner Mother Teresa will visit China on January 20 as guest of the Chinese Patriotic Catholic Association, according to an official of the association.

The official said that Mother Teresa would make her three-day trip in Beijing.

EAST EUROPEANS REACT TO GROMYKO-SHULTZ TALKS

Leaders Welcome Negotiations

OW110818 Beijing XINHUA in English 0740 GMT 11 Jan 85

[Text] Beijing, January 11 (XINHUA) -- Democratic German and Polish leaders yesterday welcomed Gromyko-Shultz agreement to reopen Soviet-U.S. arms-control negotiations. Honecker told a group of foreign diplomats in Magdeburg that the people of his country welcome the agreement to reopen negotiations on space weapons and strategic and intermediate nuclear arms. He said his country endorses the goals of the forthcoming negotiations and will work for their implementation.

Polish leader Wojciech Jaruzelski said he welcomed the Geneva meeting because any move, no matter how small, to improve the current world situation is of major significance. The Polish daily ZYCIE WARSZAWY said the "unexpected" Soviet-U.S. statement on the session proves the talks were undoubtedly successful and essential for the two super-powers to improve their relationship.

The Romanian LUMEA, a weekly foreign affairs publication, said in a commentary that the Geneva meeting was significant because it helped improve the political climate. It noted that as the world's major nuclear powers, the Soviet Union and the United States have the greatest responsibility for avoiding nuclear war and removing the threat of total destruction. The weekly added, however, that it is not the exclusive right of one or two countries to decide the destiny of mankind; instead, all countries should exercise their rights and collectively seek ways to avert any threat of terror.

A Czechoslovak radio commentary described the Geneva meeting as "positive and hopeful". But it warned that some influential forces in the United States remain opposed to any talks with the Soviet Union on arms control.

Press Comments

OW102014 Beijing XINHUA in English 1859 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- Mass media of a number of East European countries made positive evaluation of the U.S.-Soviet Geneva talks and said it is only the first step on the long way to disarmament.

The Democratic German paper NEUES DEUTSCHLAND said editorially that the result of the Geneva talks is an encouragement to the peace force of the world. Describing the talks as a welcome step toward the prevention of arms race in the outer space and toward the reduction of the existing arsenals, the paper pointed out that the joint U.S.-Soviet statement once again proved the correctness of Democratic Germany's policy of "better meeting to talk for ten times than firing a single shot."

The Hungarian paper NEPSZABADSAG said in a commentary that the Soviet Union and the United States, after four rounds of talks lasting 15 hours in two days, had finally issued a joint statement, paving the way for new talks on arms limitation. However, it pointed out that the objective of the two-day talks was not and could not be to solve the grave issue of armament, and it is impossible to expect much from the talks since the two countries in recent years have been on very bad terms. The Geneva meeting is only the first step, it said, and there is still a long way to reach a substantial agreement and make real achievements in arms limitation.

The paper suggested that two possibilities lie ahead, namely, the continuation of the present confrontation with all its consequences, or the restoration of the normal relationship among countries with different social systems.

The Polish paper TRYBUNA LUDU said in a commentary that the Gromyko-Shultz talks are a very important event. Although the path to any progress in disarmament will be long, rough and thorny, the first step to this direction has been taken after all, it added. The commentary noted that the fact itself is a good omen that the two big powers, the only ones who can make space militarization possible, had set to discuss the prevention of such militarization. However, if any actual conclusion is to be drawn from the result of the Geneva talks, further political willingness is needed from both sides.

The Czechoslovak paper RUDE PRAVO said in a commentary that the Geneva talks had no doubt made a positive step on the road toward new Soviet-U.S. dialogues. However, only the course of future negotiations will be able to answer whether the good start of the negotiations made in Geneva these days will be developed smoothly or not.

Further Press Comments

OW100814 Beijing XINHUA in English 0747 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- East European countries yesterday expressed cautious assessments on the Gromyko-Shultz meeting in Geneva. In Belgrade, the BORBA newspaper described the U.S.-Soviet agreement for resuming disarmament negotiations as "a piece of good news" which has brought some kind of comfort to the freezing world. The BORBA said in a commentary that future negotiations will not be easy because the world today is confronted with many acute and complex contradictions, but that does not mean one should give up any hope before the negotiations have yet begun. The United States and the Soviet Union have made a good start in Geneva, the commentary said, and what they should do now is to complete the job.

In Sofia, the party newspaper RABOTNICHESKO DELO said that the U.S.-Soviet talks in Geneva have brought up hope and provided chances to achieve the most significant goal of our time -- the reduction of the dangers of a nuclear war.

The Hungarian party organ NEPSZABADSAG (PEOPLE'S FREEDOM) quoted sources "in Geneva" as saying that the Shultz-Gromyko meeting is the first successful and encouraging step before a new, substantial and comprehensive agreement can be reached on arms control.

SFRY on Importance of Talks

OW102012 Beijing XINHUA in English 1840 GMT 10 Jan 85

[Text] Belgrade, January 10 (XINHUA) -- A Yugoslav official said here today that the agreement reached by the Soviet and U.S. foreign ministers in Geneva on resumption of contacts and talks between the two countries is an important event not only in their bilateral relations but also of the whole world. In an interview with the Yugoslav news agency TANJUG, Foreign Ministry spokesman Zeljko Jeglic said Yugoslavia always maintains that armament should be stopped and disarmament commenced. Therefore, he said, Yugoslavia endorses the policy of contacts and negotiations between the two superpowers and believes that the Geneva talks represented an encouraging step in the right direction.

NINTH MEETING OF NPC STANDING COMMITTEE OPENS

Peng Zhen Presides

OW101220 Beijing XINHUA in English 1153 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- The ninth meeting of the Sixth Standing Committee of the National People's Congress began here today. A group of important draft economic laws, including the accountancy law, the foreign economic contract law, a law governing state-owned industrial enterprises and the inheritance law are being examined at the meeting. The meeting will also decide the date and agenda for the convocation of the Third Session of the Sixth National People's Congress.

Today's meeting heard a report by Xiang Chunyi, vice-chairman of the NPC Law Committee on the result of the examination of the draft accountancy law. The draft was examined at the seventh meeting of the N.P.C. Standing Committee.

Today's meeting also heard explanations by Wang Hanbin, secretary general of the N.P.C. Standing Committee and director of the committee's Legislative Affairs Commission on a draft decision authorizing the State Council to formulate provisional regulations or statutes governing economic reform and opening to the outside world, and in the draft inheritance law.

Also on the agenda of the current meeting are:

- the hearing of a report on the opening of 14 coastal cities,
- hearing of a report on national education,
- hearing of a written report by President Li Xiannian on his visit to Spain, Portugal and Malta,
- hearing of a report on the National People's Congress delegations' visit to Burma, Thailand, Tanzania and Zambia.

Today's plenary meeting presided over by Peng Zhen, chairman of the National People's Congress Standing Committee. Panel discussions will be held tomorrow.

Zhao Plan for Foreign Contracts

OW101244 Beijing XINHUA in English 1158 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- The National People's Congress Standing Committee today began examining the draft law aimed at protecting the rights and interests of Chinese and foreign firms doing business together under contracts. The meeting, which is expected to last several days, will approve the law, spelling out exactly how legislation will be applied to contracts.

Wei Yuming, vice-minister of foreign economic relations and trade, said the new law would cover all contracts signed and implemented in China, which were not already subject to an existing law. Chinese laws would be applied to all contacts for joint ventures and joint co-operations implemented in China, for the prospecting and exploitation of natural resources and on certain Bank of China contracts. But foreign firms would be able to choose the laws of another country, closely involved, to settle disputes over trading contracts, and even where arbitration or court hearings should be held. Wei said the new law would reflect the policy of independence, equality and mutual benefit, to which China has persistently adhered in its foreign economic and trade relations.

A proposal by Premier Zhao Ziyang, submitted to the N.P.C. Standing Committee for examining the draft law, said that it was aimed at protecting the legitimate rights and interests of foreign economic contract litigants, and at promoting the country's foreign economic relations.

The draft law was first approved last September at an executive meeting of the State Council, after discussions and amendments by legal experts under the leadership of the Legislative Affairs Commission of the N.P.C Standing Committee and the Economic Legislation Research Center of the State Council.

Inheritance Law Considered

OW101329 Beijing XINHUA in English 1313 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- Chinese citizens will be able to inherit means of production provided they are permitted by law and government policies. This is stipulated in a draft inheritance law which was put to the legislature today. The draft law, China's first on inheritance, provides specific stipulations for the increasing number of civil disputes over inheriting private property.

Addressing the ninth meeting of the National People's Congress Standing Committee, its secretary-general, Wang Hanbin, said the draft law accorded with the constitutional provision that "the state protects by law the right of citizens to inherit private property." For a long time, he said, private property in China was mainly means of subsistence. As a result of economic development and the production responsibility system in urban and rural areas, however, many citizens now owned means of production as well, he added. The right of inheritance should also be applied to property involving copyright and patents within a period of time provided by law, he continued.

Wang said the draft law included specific provisions protecting senior citizens and the right of women to inherit property. He also explained terms like "inheritor", "sequence of inheritance", "share" and "will". Wang, also director of the Commission of Legislative Affairs under the NPC Standing Committee, said that the draft law was based on the part on inheritance in the draft civil code, the drawing up of which started in 1979.

Drafting a complete civil code was difficult, he said, because it involved a wide range of complicated subjects while China was in the process of reforming its economic structure. However, he added, a number of mature laws, as part of the civil code, had been adopted by the NPC or its Standing Committee over the past few years. They are laws on marriage, economic contracts, patents and trade marks. The preamble of the civil code and the copyright law are being drafted.

While drafting the law, he said, his commission had studied cases involving inheritance handled by local courts as well as similar foreign laws. It had also solicited opinions from experts and various organizations.

PLA COMMANDERS, FIGHTERS TO WEAR NEW UNIFORMS

OW111109 Beijing XINHUA Domestic Service in Chinese 0742 GMT 11 Jan 85

[Text] Beijing, 11 Jan (XINHUA) -- The commanders and fighters of the Chinese PLA will wear new uniforms beginning 1 May this year. The reform of uniforms has been examined and decided by leading comrades of the central authorities and approved by the Central Military Commission.

The purpose of the change is to further meet the need of revolutionization, modernization, and regularization of our Army; improve the Army's appearance, and facilitate organization and command.

The new uniforms for cadres at and above regimental rank will be made of woolen and blended woolen materials. The uniforms for cadres and fighters at battalion level and lower rank will still be made of cotton material. The form of the new uniforms will not be significantly different from the current uniforms. The cadres and fighters of the whole Army will wear peaked military caps (women fighters will retain their present headgear without peak), new collar insignias, and shoulder boards. The emblem on the cap will be changed from the present design to a round one with "five stars and the words 1 August" surrounded by wheat ears and cog wheels. It shows that our fighters are soldiers of the people and our Army is a symbol of unity. Chin straps for cadres' caps will be silver gray silk knitted bands and that for fighters will be black man-made leather.

The colors of the new uniforms include a palm green woolen uniform for the Army; dark blue woolen winter uniform for the Navy, white woolen jacket and dark blue woolen trousers for the Navy in summer; and palm green woolen jacket and dark blue woolen trousers for the Air Force. The colors of uniforms made of cotton materials will remain the same as the present uniforms. The jackets for cadres will have epaulets and golden color metal buttons with the design of "five stars and the words 1 August." All cadres and fighters will have additional long sleeve and short sleeve shirts designed for collar and shoulder insignias. The shirts for cadres will have epaulets with golden color metal buttons with the design of "five stars and the words 1 August," while the shirts for fighters will not have epaulets and the buttons for fighters' shirts will be made of bakelite as before. Cadres' collar badges will be made of heavy woolen cloth in red for the Army, black for the Navy, and blue for the Air Force. They will have golden edges with golden stars. The fighters' collar badges will also be made of heavy woolen cloth with colors the same as those for cadres. The fighters' color badges will have signs of arms of services as follows: "five stars and the words 1 August" for the Army; iron anchor for sailors; and "five stars and the words 1 August" with two flying wings for the Air Force. All cadres and volunteer soldiers of the whole Army will wear semi-rigid shoulder boards. The materials for shoulder boards of the three services will be the same as for their respective winter uniforms and the signs of arms of services will be emroidered on the shoulder boards. The new-type uniforms will be distributed in groups starting 1 March.

[Beijing ZHONGGUO XINWEN SHE in Chinese at 0339 GMT on 11 January in a similar item adds: "JIEFANGJUN BAO today carried pictures of male and female fighters in the new uniforms. In answer to questions raised by a JIEFANGJUN BAO reporter, Zhou Fanyu, deputy head of the Department for Military Supplies of the General Logistics Department, said: The reform of Army uniforms is aimed at adapting ourselves to the needs of building a revolutionized, modern, and regular Army, further strengthening Army discipline, and improving the required standards for appearance and bearing so that our Armed Forces can adapt themselves to the needs of the developing situation following the implementation of the open-door policy and the increased frequency of diplomatic affairs. It is also aimed at facilitating organization and command."]

TOP LEADERS' INSPECTION TOURS SET EXAMPLE

OW101543 Beijing XINHUA in English 1515 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang and Premier Zhao Ziyang inspected 141 cities and counties across China in 1984, reports the latest issue of the journal FORTNIGHTLY CHAT published today.

Hu made 13 inspection tours last year, covering 102 cities and counties in 14 provinces, municipalities and autonomous regions. Zhao toured 39 cities and counties in 12 provinces, municipalities and autonomous regions on eight trips on top of a crowded schedule of state visits to Canada, the United States and Western Europe.

They talked with local officials and people in workshops, peasants' homes, harbors and frontier posts scattered over a wide area from the Changbai Mountains and Heilongjiang River in the north to the Guinau Plateau in the south, the magazine reports. Their schedules were so packed that they often had to perform their official duties and called meetings aboard the train, it says.

An editor's note in the journal calls on all senior officials to follow the example of the two leaders, saying that the biggest obstacle to China's ongoing reforms and construction is divorce from realities. The Chinese Communist Party Central Committee decision on reform of the economic structure stresses the need for government organizations to provide services, it says. Government workers have to go down to the grass-roots and find out the situation there in order to offer good services, it adds.

WAN LI ADDRESSES SOCIALIST ETHICS COMMITTEE

OW101820 Beijing XINHUA in English 1446 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- A Chinese leader today urged wider spread of civic virtues, construction of more cultural and public welfare facilities and improvement of the environment in general. Wan Li, vice-premier and chairman of the National Committee for Promoting Socialist Ethics, said that the current economic construction and reform places higher demands on the building of socialist culture and ethics.

At the third meeting of the committee, members called for combining education in patriotism, collectivism, socialism and communism and dissemination of the idea of serving the people. They maintained that the economic reform was bringing changes in people's life style. (?Ethics) should be spread among the people to improve social behavior. The committee set up in 1983 is composed of leading officials from more than 30 Communist Party and government departments.

Socialist ethics here refers to "five traditional standards: decorum, courtesy, hygiene, discipline and morals), the "four points of beauty" (of the mind, language, behavior and the environment) and the "three loves" (of the motherland, socialism and the Communist Party).

RENMIN RIBAO URGES PROTECTION OF FORESTS

HK110429 Beijing RENMIN RIBAO in Chinese 31 Dec 84 p 2

[Commentator's article: "Depend on the Masses in Protecting Forests"]

[Text] Beginning from tomorrow, the "Forest Law of the PRC" will be formally in force. This law is of important significance in mobilizing the initiative of various sectors to develop afforestation, protect forests, safeguard existing limited forest resources, and expedite greening of over 1 billion mu of barren hills and slopes throughout the country. In recent years, the forest policy has been relaxed and the methods of managing forests have made an important breakthrough. Under these circumstances, it is very necessary to place forests under the protection of the law through implementing the "forest law."

The problem lies in the fact that protecting forests should depend on the broad masses, especially on the peasants who act as the direct operators of the forests. In the past, some people interpreted managing forests through the law one-sidedly, and regarded the peasants as their targets of punishment, thus leading to the adoption of methods of control, interception, and arrests. In this way, it was impossible to manage the forests well, and what is more, serious contradictions developed in the relations with the peasants. This is a lesson for us.

The primary essence of productive forces in forest production is the peasants who act as direct operators of forests. In carrying out forestry reform, we must correctly handle the relationship between enriching the mountains and enriching the people and the relationship between ecological results and economic results, and adhere to the principle of everything for the peasants and everything depending on the peasants, so forestry undertaking can develop continuously. Relaxing the policy to enable the peasants to have a greater degree of decisionmaking power and to obtain benefits which should belong to them is in line with the regulations of the "Forest Law" in protecting the lawful rights of the owners and users of forests, forest trees, and forest land. Relaxing the policy will mobilize the initiative of the peasants to develop the forestry undertaking, and they will have the confidence to make investments in forests in terms of capital, labor, and intellect. This will fundamentally eradicate the hidden troubles of undermining forestry, which will facilitate the rehabilitation of the ecological environment and will be beneficial to the state, the collective, and the individual. According to the regulations of the "forest law," forest trees must be strictly managed. However, "strict management" does not mean "rigid management." As long as the "forest law" is complied with, the masses should be allowed to make their own decisions with respect to felling of trees, and marketing and pricing of timber, and no one is allowed to interfere at will. In implementing the "forest law," it is necessary to pay attention to returning the rights and benefits to the peasants, to encourage them to further love their forests and forest land. On the one hand, we should not connive at wanton felling of trees and destruction of forests on the pretext of relaxing the policy; and on the other hand, we should not return to the old path of rigid control under the pretext of strict management, thus depriving the peasants of any profits and resulting in their loss of confidence in managing forests. Both of these two tendencies would lead to the evil result of undermining the forest undertaking.

WAN LI WRITES TO YOUTH AFFORESTATION MEETING

0W110120 Beijing XINHUA Domestic Service in Chinese 1206 GMT 9 Jan 85

[Letter from Wan Li, member of the Political Bureau of the CPC Central Committee, vice premier of the State Council, and chairman of the Central Greening Committee, to the national meeting for commending young people for afforesting the motherland, dated 8 January]

[Text] Lanzhou, 9 Jan (XINHUA) -- Dear comrade delegates to the national meeting for commending young people for afforesting the motherland:

I am glad to hear that the national meeting for commending young people for afforesting the motherland has opened in Lanzhou. I hereby extend my warm greetings to the meeting and give you my sincere regards. It is China's basic state policy to plant trees and forests to change the ecological environment. It has far-reaching strategic significance to building a modern and powerful socialist state. In recent years, the CYL has led hundreds of millions of young people in launching all kinds of afforestation drives in response to the call of the party Central Committee and the State Council, and has made remarkable contributions to greening the motherland through diligence. You are worthy of the name shock brigade.

Greening the motherland is a grand cause that will benefit future generations.

It requires arduous work, iron will, and persistent struggle. The law of nature makes it impossible for people of the older generation to fulfill the task. It is hoped that young people will set a goal for themselves; that is, to end China's history of lacking in forests and timber, and cover the motherland with green trees through the work of your generation, lest you should feel sorry for posterity when facing the barren hills during your old age.

The era of reforms has offered new possibilities for youngsters. Young people with broad vision and lofty aspiration should go to the mountainous areas and to places afflicted by windstorms, sandstorms, and drought, to pioneer, create, plant grass and trees, and strive to cover barren hills and deserts with forests. They should courageously, staunchly, and steadfastly remove all obstacles to fulfill the grand goal of our great era.

I hope you will show greater patriotic fervor and engage yourselves in the great cause of greening the motherland. Honor belongs to those who struggle unswervingly. The honor is yours.

CYL Honors Efforts

OW101848 Beijing XINHUA in English 1831 GMT 10 Jan 85

[Text] Lanzhou, January 10 (XINHUA) -- Chinese youngsters will plant a 3,000-kilometer tree belt along the Yellow River by 1990 as part of the nation's efforts to harness this river. Liu Yandong, member of the Secretariat of the Chinese Communist Youth League Central Committee, made the announcement at a national meeting to commend young tree planters here Wednesday.

The belt -- 10 kilometers wide -- will stretch from Zhongwei County in the Ningxia Hui Autonomous Region, on the upper reaches of the Yellow, to the City of Dongying in Shandong Province, on the lower reaches.

Meanwhile, Liu said, tree belts will also be planted along 10,000 kilometers of railways and 300,000 kilometers of roads not yet shaded so far.

The projects, sponsored by the Communist Youth League Central Committee, the Ministry of Forestry and other central departments, have been included in China's Seventh Five-Year Plan to begin in 1986.

The yellow River, China's second largest, carries 1.6 billion tons of silt into the sea annually -- more than any other river in the world.

The Youth League Central Committee and other central departments jointly decided last August to start this huge tree belt covering an area of 30,000 square kilometers. Youngsters in 100 cities and counties in the Yellow River Basin will be mobilized in the planting drive.

SOCIALIST LITERATURE ENTERS NEW 'GOLDEN AGE'

HK110445 Beijing CHINA DAILY in English 11 Jan 85 p 4

[By CHINA DAILY commentator: "Golden Age"]

[Text] The eight-day Fourth National Writers' Conference that ended over the weekend was hailed by Wang Meng, member of the Standing Council of the Chinese Writers' Association, as the dawn of a "golden age" for socialist literature in China. He is not alone in his optimism. For general consensus of old and young writers at the conference is that the party's new pledge of greater freedom of artistic expression, as set forth in the keynote address by Hu Qili, member of the Secretariat, will be honoured this time. There is good reason for their optimism.

First, policies in particular fields cannot be divorced from the overall policy. The overwhelming majority of the Chinese people now share the view that modernization is the only guarantee to China's revitalization and, indeed, national survival, prosperity and progress can be achieved only through a persistent effort lasting well into the next century. Any repetition of the unwarranted harsh struggles as in past political campaigns can only condemn the Chinese people to poverty and ignorance.

Secondly, there is an increasing recognition that intellectuals are an indispensable part of society contributing to the modernization drive. Particularly, in this age of a new world technological revolution, knowledge and expertise are the leading edge in mankind's pursuit to master the forces of nature and increase productivity.

Thirdly, is the nationwide acknowledgement that Chinese intellectuals are imbued with a deep sense of patriotism and dedication to serve the people and the country. There are innumerable cases of intellectuals who have long been misunderstood or even unjustly discriminated against and yet have never wavered in their determination to offer their best to society. They are like devoted cows who "eat grass but give forth milk" as the noted writer Lu Xun has described. Therefore, Chinese writers can be trusted to use their freedom of expression to serve the people and the socialist cause.

Fourthly, is a better understanding of the nature of artistic creation which depends very much on individual effort, on the artist's inspiration and integrity to present the world and society as he or she sees it. Art and literature will lose genuineness and fail to be moving if there are arbitrary prescriptions on what and how life should be portrayed.

The above points are the underlying rationale for the policy of "letting a hundred flowers blossom and a hundred schools of thought contend." That policy was designed to promote socialist art and literature in China. But when it was distorted or undermined, the result was not only the stifling of all literature and art, but also the jeopardizing of the cause of socialism itself. That bitter lesson has been learned and has become a part of China's social consciousness. Can there be any stronger guarantee that past mistakes will not be repeated?

WANG MENG COMMENTS ON LITERARY FREEDOM, LEFTISM

HK101140 Beijing ZHONGGUO XINWEN SHE in Chinese 1433 GMT 9 Jan 85

[Report: "Wang Meng Says the Main Purpose of Advocating Freedom in Literary Creation Is To Clear Away 'Leftist' Residue"]

[Text] Beijing, 8 Jan (ZHONGGUO XINWEN SHE) -- Wang Meng, a well-known writer who was recently elected vice chairman of the Chinese Writers Association, said today: "Freedom of literary creation" which was put forth by the Fourth Congress of the Chinese Writers Association, is mainly aimed at countering the remnant "leftist" thinking and is not aimed at attacking any individuals or groups of people. Wang Meng stated this at a press conference of Chinese and foreign reporters in Beijing this morning. At this conference the writers, poets, and commentators who have been newly elected as vice chairmen of the Chinese Writers Association, including Liu Bingyan, Deng Youmei, Tang Dacheng, Zhang Xianliang, Zhu Ziqi, Yuan Ying, Feng Jicai, and Shu Peide, respectively replied to the relevant questions asked by more than 100 Chinese and foreign reporters.

On the question of whether the "freedom of literary creation" can overstep the "four basic principles," Wang Meng said: This is a very interesting question. In theory, there will be no trouble if a writer's works do not violate the law. However, the "four basic principles" have been written into our country's Constitution. Therefore, any works that violate these principles will meet difficulties related to the law. From the point of view of objective practice, works that propagandize about "leftism" are unpopular. If a book sings the praise of Jiang Qing, it will be sneered at by the whole of society and people will spit at the writer of the book when they meet him in the street and identify him as the writer.

One reporter asked: In his opening speech, Ba Jin called on Chinese writers to write outstanding epic works and to become the Cao Xueqins, Goethes, and Shakespeares of our times. Is this in conflict with the restriction of the "four basic principles" that was just mentioned? Wang Meng replied: The four basic principles are the outcome of the selection of the Chinese people through prolonged struggle and practice in their life. For a writer who believes in communism, he does not regard them as a restriction to this "freedom of literary creation." Therefore, they are in unity instead of in conflict. He said that in Cao Xueqin's and Du Fu's lifetime, they did not shock the world but they were recognized by the people later. Therefore, no one can say that no writers in contemporary China will be recognized as Cao Xueqin's Goethes, or Shakespeares 50 or 100 years from now!

At the question of what attitude we are to adopt toward the later Chairman Mao Zedong's speech at Yanan Forum on Literature and Art in 1942, Wang Meng said: Chairman Mao's speech had a tremendously great impact on the development of China's literature and art undertaking. In particular, Mao's idea that literature and art should be closely in line with the requirements of the new times is a gifted idea. Of course, some of Mao's words are not related to today's changed situation. Some of his ideas, such as confusing literature and art with politics, are not practical and at minimum lack theoretical grounds. In particular, after the PRC's founding, as the personality cult for Mao emerged, a trend emerged that did not allow people to analyze or discuss Mao's speech. This kind of dogmatic attitude is wrong. Today we not only can evaluate Mao with the respect for a great man, but can also take a scientific attitude toward him. Our general principle is: First we should adhere to the speech, and second we should develop it.

As for the question of how to view the "elimination of spiritual pollution," Wang Meng held: True, in "eliminating pollution" last year, some tension did emerge in some areas where the scope of the work was expanded, but this was immediately corrected by the central authorities. In fact, what the central authorities called "spiritual pollution" meant the unhealthy things in our literature and art works. "Eliminating pollution" mainly means criticizing the unhealthy trend in these works. Therefore, this criticism is not in conflict with freedom of literary creation. Later, this kind of criticism may again be carried out, but the criticism must be carried out in a democratic and reasonable manner.

Concerning the election of Bai Hua as a council member of the association and criticism of Bai Hua's "Bitter Love," Wang Meng said: We should say that criticism of "Bitter Love" was carried out in a comradely manner and it was not aimed at attacking people. Therefore, while the work was being criticized, Bai Hua's other works continued to be published and his new poem "Spring Tide in Sight Ahead" won a national prize for fine poems. It is not strange that he has been reelected a council member this time.

HU QIAOMU ON RECOMMENDING EXCELLENT BOOKS

HK100947 Beijing GUANGMING RIBAO in Chinese 27 Dec 84 p 1

[Article by Hu Qiaomu: "Recommend Excellent Books to Readers"]

[Text] Editor's note: The monthly BOLAN QUNSHU will be available throughout the country beginning on 5 January 1985. Here we reprint an excerpt of Comrade Hu Qiaomu's article carried in the initial number of the magazine in question for your reference. (end editor's note)

I am very happy to take part in this prizes conferring conference today. (Author's note: This writing is part of the speech made at the national conference for conferring prizes on popular political theoretical books on 29 July 1984, which was not intended for publication. Now GUANGMING RIBAO is running a magazine BOLAN QUNSHU, which aims to comment on and introduce a variety of books to the readers, and I am very happy about this. However, the editor has asked me to contribute an article to the magazine, which made me feel rather embarrassed, for it would not be easy to write a suitable article for the occasion; therefore, I have to reluctantly hand in an excerpt of the manuscript of my speech to fulfill the task. September 1984.) This is because the Central Committee has on several occasions issued calls, and we have finally scored very laudible achievements through the efforts you have made over the past few years. On behalf of the Central Committee, here I extended my thanks and congratulations to all the writers receiving prizes, the editors, and all relevant publishing houses!

Just now, during the briefing on appraisal through discussion, it was mentioned that some of the discussions of the books have not been able to catch up with the development of the situation between 1982 and 1983. We cannot put the blame on the writers. This is after all not a big problem, and it will pass so long as some revisions are made and some supplements are added in their second editions. If possible, sequels can be written to some of the books. For instance, I have leafed through some of the books given first prizes; the one on the general history of China ends with the "4 May Movement," and the one on the party's history ends with 1949. Such practice is not new, and has long existed. But it is my hope that the situation will change. In reference to the general history of China, the history should go on up until the year the book is compiled; and it should be the same with the party's history. We should refrain from giving the readers the impression that the general history of China was interrupted after the "4 May Movement," or the party's history was interrupted in 1949, as if the rest of the history should be written only when some authoritative documents have given the final conclusions. Of course, the readers need to know the history of the past, but they want to know more about the history of China after the "4 May Movement," and the history of the country and the party since the founding of the PRC in 1949. Such a condition exists to a certain extent in other books, too. It is hoped that in the second edition of those books, they will be able to meet the needs of the political situation's new development.

In short, the fact that a number of books are awarded prizes at the current conference is a great achievement. This achievement will inspire the confidence of many comrades: the writers, editors, and the publishing houses; and it is also a great inspiration to the Publishing Bureau, the Ministry of Culture, and the CPC Central Committee. It is our belief that with this beginning, our work in the future will certainly develop in a still larger scope, at a still higher speed, with still better quality. We believe those comrades who have received the prizes will never become conceited, but will certainly continue to work hard. The readers of the whole country are looking forward to your work.

The study campaign initiated by the Shanghai workers in 1984, which later spread to Beijing and many other cities has now caught on in all provinces of the country. Among workers, students, and young people in some rural areas, an upsurge of studying has taken place. Not only do they want to study books on science and technology, but enthusiastically hope to study books on political, theoretical, and historical subjects. From now on, the future is bright for your work, for it has won the support of a huge army of more and more readers.

With regard to those works awarded prizes through appraisal and discussion, it is hoped that the publishing departments will do some more work on them. Conferring prizes to them is one thing, but what is more important is to introduce and spread them to various groups of readers in a big way. Today, Comrade Huang Yukun is here. I have not found in the list of books receiving prizes any published by the Jiefangjun Publishing House. Actually, the publishing houses of the PLA have published many such books. We should answer the call of the Central Committee and the Central Military Commission to build civilized villages with the joint efforts of the Army and the people. Publishing departments of the localities should cooperate with those of the PLA. Concerning those books which have been awarded through appraisal and discussion they should also be exchanged between the Army and the localities. A few days ago, at the PLA conference for conferring prizes to literary and art works, I talked about an event concerning "Wreaths at the Foot of a High Mountain" written by Comrade Li Chunbao of the Jinan Military Region. The book has been recommended in the study campaign of the Shanghai workers. As a result, all study groups were vying for the book, which eventually ran out of stock in all Shanghai bookstores. But are there enough copies for every member of the various study clubs? No. The book has to be circulated from hand to hand, and it is fortunate if each group has one book to pass around among its members. Therefore, many study clubs have to send people to purchase copies of the book in other provinces. We believe that the readers are also thirsting for excellent political books. I hope that the publishing departments, and departments concerned as well will show concern for this matter. They should recommend these books to the trade unions, the CYL, the women's federations, Army units, schools, and educational departments. The Ministry of Education may select from these books, some of which may be listed as compulsory supplementary readers for middle school students, and others may even be selected as teaching materials, provided the contents meet the needs of teaching. Books appropriate to institutes of higher education may also be adopted in a similar manner. Part-time and television broadcast universities may also do the same. This is work for educational departments. The trade unions, the CYL, and the women's federations may follow suit.

Therefore, the first proposal I have just made to the administrative and circulation organs of the publication system is that they should keep their doors wide open and go among the masses, and they should not rest contented inside the editor's office of the publishing house after having the books edited, printed, and sent to the bookstore in the belief that they have already fulfilled their task. It should not be so. Books should be sent to every collective of the organized masses, they should be sent to schools, Army units, and factories. It is necessary to recommend them, which should be done in a responsible manner. Such recommendation should primarily be given to the Xinhua Bookstore. If no recommendation is made to the Xinhua Bookstore, it is likely that it will not order any of the books. Even if it does order, it is still not quite sure of how to introduce it to the public. To do a good job in recommending a book, it is necessary to make evaluation and publicity of it in vivid language in newspapers and magazines.

In this respect, I also find that there is a shortcoming on the part of the workers of the publishing organs, namely, the lack of a magazine of literary criticism covering a wide range of books (to be exaggerated, it should be "all inclusive.") This is because there are very few articles of literary criticism in our newspapers, which makes such a magazine all the more necessary. Such a magazine would have a great number of readers, and also a wide range of objects for literary criticism. Now the readers need books, but when they go to the bookstore, they find it very difficult to choose the right book on the spot. They hardly know just which book they really want. And the workers in the Xinhua Bookstore can hardly take on the responsibility of recommending with some familiarity the books the readers need. Of course, publishing departments have issued some bulletins on books they have published. However, their circulation and effects are insignificantly small, and basically they have not done enough work to recommend and introduce the books to bookstores, not to mention the readers. Today, we have commended a number of excellent popular political books through appraisal and discussion. As was said a moment ago, this is good. Nevertheless, we should not stop here, but should greatly extend our work, namely, as I have just said, we should make contact with all kinds of organized readers and collectives, with schools, Army units, magazines offices, factories, and the rural areas; we should make contact with the General Political Department, the All-China Federation of Trade Unions, the Ministry of Education, the CYL, the Women's Federation, and all newspapers, radio stations, and television stations, to introduce and recommend these books on a large scale, in a big way, and in depth, and to exert our utmost to cooperate with them, to send the excellent books to the readers.

HE JINGZHI ON YUNNAN TRADITION IN LITERATURE, ART

HK100843 Beijing GUANGMING RIBAO in Chinese 28 Dec 84 p 3

[Article by He Jingzhi: "Inheriting, Promoting, Innovating, Creating -- Answering Questions From the Editor-in-Chief of YANAN WENYI YANJIU"]

[Excerpts] Editor's note: In October this year, Comrade He Jingzhi, deputy director of the CPC Central Committee Propaganda Department, answered some questions raised by Comrade Ai Keen, editor-in-chief of YANAN WENYI YANJIU, on inheriting and promoting Yanan's tradition in literature and art. Following are excerpts of the questions and answers.

Question: You are attaching great importance to Yanan's revolutionary tradition in literature and art and have suggested establishment of the science of Yanan's literature and art. What plans do you have in this regard?

Answer: In the winter of 1982, soon after the party's "12th National Congress," I returned to Yanan via Xian. I told the comrades there that there is a "science of Dunhuang" in northwest China. Should it also be a "science of Yanan?" The reason is that the 13 years from 1935 to 1948, during which the CPC Central Committee was leading the Chinese revolution in north Shaanxi, was a very important period in China's contemporary history. It was a magnificent period regarding political, military, economic, and cultural affairs. Yanan deserved to be called the center of the Chinese revolution at that time, the starting point toward the victory of the revolution, and a sacred place and cradle of the revolution. This is generally accepted in the world and much attention has been devoted to it.

Undoubtedly, we should attach importance to the history of this period, study its precious experiences and inherit its glorious tradition. This is of great significance either at present or in the future. As far as I can remember, at that time, I only mentioned the "science of Yanan," and not the "science of Yanan's literature and art." If you all think the latter is appropriate, I will have no objection to it. I strongly feel that literature and art should become an important part of the "science of Yanan."

Question: In those years, many young people (most of them were teenagers), who were filled with ardor and sincerity and were fond of literature and art, went to Yanan from all corners of the country, despite of all kinds of hardships and difficulties or even at the risk of their lives. Would you please say something about the revolutionary ideal and the spirit of courageous advancing and bold devotion according to your own experience or the experiences of the comrades you are familiar with? In what fields do you think they can inspire the young people in the 1980's?

Answer: In those years, especially from 1937 to 1939, a large number of revolutionary youths and intellectuals went to Yanan. In our country today, the situation and tasks are greatly different from those of the Yanan period. In particular, great changes have indeed taken place in the feeling and demands of the younger generation in their daily lives. The rejuvenation of China and the realization of the four modernizations cannot be achieved without a good spiritual force that can inspire all the people and without the common efforts of millions upon millions of people. This is a basic idea, which is the same for both the current and the Yanan periods. The construction of the four modernizations we are now carrying out represents a great leap; the efforts to save the nation and build a new country during the Yanan period was also a great leap. Comrade Hu Yaobang said that the Chinese nation has experienced three great leaps, and the Yanan period was extremely important in realizing this great leap of New China. Despite the different situations in various periods, there should be something in common in the ideological or spiritual field. That is, under the correct leadership of the CPC Central Committee, it is necessary to have the spirit of hard struggle and bold devotion to the rejuvenation of China, to the liberation of the people, and to the realization of socialism and the lofty ideal of communism.

Question: The Yanan spirit will undoubtedly play a great role in arousing the masses and promoting the unity and prosperity of the literature and art circles. But how can we correctly understand and develop this spirit?

Answer: Generally speaking, the Yanan spirit was a crystallization of our party's fine traditions formed during the long-term revolutionary struggle. It was also a result of destroying the old and establishing the new. In the Yanan period, the so-called "destroying" referred to destroying old political and economic ideas, old ideology and culture, and the remnant influence of those conservative and backward ideas in our revolutionary ranks. This is often referred to by the people as a great movement to emancipate the mind in the Yanan period, which, with the sharp ideological weapon of Marxism, freed people from the decadent ideas of feudalism and capitalism and from the yoke of dogmatism and empiricism. In essence, the Yanan spirit is a spirit of creation. Without innovation, progress, and creation, there will be no Yanan spirit. In this sense, Yanan is not only a sacred place of the revolution, but also a sacred place of the reform and a sacred place of the emancipation of the mind.

Our party's attitude toward Marxism and Mao Zedong Thought is to adhere to them and develop them. In my opinion, we must adopt the same attitude toward the revolutionary tradition. Like all other progressive historical phenomena, which could not surmount the restrictions of the historical conditions of their times, despite of its indelible contributions to history, Yanan's literature and art also had some limitations, which could not be avoided.

Therefore, we should not adopt an attitude of nihilism or dogmatism toward the achievements and experience of Yanan's literature and art. Undoubtedly, the expositions on a series of principles and questions by the "Talks at the Yanan Forum on Literature and Art" are still of guiding significance for us today. But similarly, we must also realize that there are also limitations on certain questions. As the historical conditions have changed, we must also make some readjustment of certain wordings while adhering to their basic spirit, such as changing the wording of "serving the workers, peasants, and soldiers" into "serving the people." Some theories are not accurate enough and need to be studied again. For example, on the question concerning the relationship between politics and art, the working that "art is subordinate to politics" has been replaced by "art is not subordinate to politics, but cannot be separated from politics." Another example is what was mentioned above on the question of "destroying" and "establishing." Presently the exploitation system has already been eliminated in our country. Although class struggle still exists within certain limits, they do not constitute the main contradiction. The focus of work of our party and state has been shifted to the construction of the four modernizations. Under such conditions, we must not mechanically copy the theories of the past, which were suitable for past conditions, and apply them to today's affairs without any changes. In short, we must adopt the spirit of seeking truth from facts and the spirit of creation and reform -- the main content of the Yanan tradition -- toward the Yanan tradition itself. This is an important aspect that will help us achieve unanimity in our thinking. It will also play a great role in promoting the great unity and prosperity of the literature and art circles and in arousing the masses.

Question: In his "Talks at the Yanan Forum on Literature and Art," Chairman Mao definitely solved the problem concerning the orientation and road of our literature and art work. What do you feel about this in your practice?

Answer: In his "Talks," Chairman Mao regarded the integration of writers and the masses of people as the most fundamental thing. This conforms to the dynamic theory of the reflection of dialectical materialism. To serve workers, peasants, and soldiers as well as the broad masses of people, literature and art must, first of all, understand, observe, study, and reflect their rich and colorful life. If the writers do not integrate with them, do not join them in the struggle, and do not keep contacts with them, how can they achieve the aim of serving the masses of people? Before the "Talks" was published, we were not quite clear about this and were not conscious of it. Generally speaking, it was easier to understand that literature and art should serve the masses, because when we joined in the revolution and took up our pens as weapons to fight against Japanese aggression.

In spite of all kinds of difficulties, we realized that we should serve the main force of the revolution. However, how could we serve the masses? We were not quite clear about this and were rather slow in action. In view of our weak points, Chairman Mao pointed out sharply that the integration with the masses of people was a correct path, and the only path to serving the masses of workers, peasants, and soldiers. This was a great creation and a milestone. From my practice I feel the same.

Question: What were the main achievements of Yanan's literature and art? Since many young people want to know something about this, could you present them with a general picture?

Answer: There were many achievements. To put it briefly, the main achievements were:

1) In theory, a dialectical materialist viewpoint on literature and art was established, which was characterized by the theory of dynamic reflection of reality. This was concretely reflected by the solution of the question of who should literature and art serve and how should they serve in Chairman Mao's "Talks." 2) A series of comparatively complete policies and principles on literature and art was worked out. 3) An unprecedented bumper harvest was reaped in literary creation. All kinds of literary work, such as poems, fiction, essays, reportage, drama, music, fine arts, and dance, took on a new look and appeared in an entirely new form. Great achievements were made in this field.

Question: Most of the old comrades of Yanan's literature and art circles have now withdrawn from the first line. In your opinion, how should they make continuous contributions in their remaining years and do a good job in passing on experience, giving help, and setting an example for the younger generation?

Answer: During that period of more than 10 years in Yanan, a large number of literature and art workers were trained and tested. They are the wealth of our party and the nucleus of the literature and art front. Most of them were appointed to leading posts after the founding of the state. Now quite a few comrades have left their posts due to advanced age. However, the withdrawal from the first line only means changing to another post, that is, the post for passing on experience, giving help, and training the younger generation.

It is first necessary to pass on the good ideas, good work style, and good tradition of the Yanan period to the younger generation, of which the most important thing is to pass on is Marxism and Mao Zedong Thought and the scientific attitude toward Marxism and Mao Zedong Thought. They have been, and will continue to be effective weapons guiding our work, and a fundamental guarantee for a great development of literature and art.

In the 1980's, various new situations and new problems that we have never met before have emerged in our literature and art work. We must study the new situation and new problems and open up new spheres for development of literature and art. Along with the progress of the reform in both the countryside and the cities under the leadership of the party, reform is also urgently needed in our literature and art work. In this regard, the long-term "leftist" influence in the literature and art circles is still the main obstacle for current reform. Tasks for the reform in literature and art circles are comparatively heavier. They are also more difficult to carry out. Only when we further emancipate our minds and carry out courageous reform and experiment can we find a correct path. In this respect, our old comrades must enthusiastically offer their support and help so as to promote the great reform, the great development, and the great prosperity of our literature and art.

ARTICLE ON MARX THEORY OF SURPLUS VALUE

HK100939 Beijing GUANGMING RIBAO in Chinese 24 Dec 84 p 3

[Article by Yang Guochang: "How To Correctly Understand the Symbols of the Outcome of Scientific Socialism"]

[Text] In his article "On the Symbols of the Outcome of Scientific Socialism," (see GUANGMING RIBAO, 24 September 1984) Comrade Zhou Guoqiang held that Marx basic idea on the theory of surplus value had already taken shape in the 1840's. In my opinion, this argument is open to question.

Soviet scholar Adoratskiy stated the same view early in the 1940's. He held that Marx "had already mastered the object of political economy and basically established his theory of surplus value in 1847." ("Selected Works of Adoratskiy," Joint Publishing Company, 1964 edition, p 227) Later, Rozenberg also stated in his works that Marx "Wage Labor and Capital" contained the "core" of the theory of surplus value. ("An Introduction to the Development of the Economic Theory of Marx and Engels in the 1840's," Joint Publishing Company, 1958 edition, p 266) Some comrades in China's academic circles also agreed with this view. When providing grounds for such a view, they based themselves on "Foreword to Volume II of 'Das Kapital.'" In this foreword, Engels used the examples of Marx "The Poverty of Philosophy," written in 1847, and his speeches on wage labor and capital to show that Marx "clearly knew where the 'capitalists surplus value' 'emerged from' and also clearly realized how it 'came into being.'" ("Collected Works of Marx and Engels," Vol 24, p 12)

It seems that the crux of the matter is how to comprehend Engels' exposition. From my own understanding of "The Poverty of Philosophy" and "Wage Labor and Capital," Engels' remark that Marx "clearly knew where the 'capitalists surplus value' 'emerged from'" meant that Marx realized that the surplus labor of the wage laborers was the only source of surplus value. For example, Marx emphatically pointed out in his "Wage Labor and Capital": "Capital can only increase by exchanging itself for labor power, by calling wage labor to life." He further continued: "Capital perishes if it does not exploit labor, and to exploit it, it must buy it." ("Collected Works of Marx and Engels," Vol 6, p 490) Moreover, Engels' remark that Marx "clearly realized how it 'came into being'" possible referred to his views expressed in "Wage Labor and Capital": "The worker receives the means of subsistence in exchange for his labor power, but the capitalist receives in exchange for his means of subsistence labor, the productive activity of the worker, the creative power whereby the worker not only replaces what he consumes but gives to the accumulated labor a greater value than it previously possessed." ("Collected Works of Marx and Engels," Vol 6, p 489) This difference gives rise to surplus value.

If my understanding accords with Engels' original meaning, then Engels' thesis did not prove that Marx theory of surplus value was already established or basically established. Furthermore, this was not enough to prove that Marx "already had" the basic idea concerning surplus value: Because to establish the scientific theory of surplus value, it is necessary to establish two theoretical premises adn to solve two major contradictions. By the theoretical premises we mean the theory of labor power commodity, which separates labor from labor power, and the theory of the dual nature of labor that regards that labor that produces commodities as concrete labor, which produces use value, and also abstract labor, which forms value. Only by establishing the former can we expound the sources of surplus value based on the theory of labor value. Only by establishing the latter can we scientifically expound the process of the production of surplus value and make a distinction between constant capital and variable capital, thereby abstracting surplus value from its concrete shape. These two theoretical premises did not exist at all before the 1840's and, what is more, the theory of the dual nature of labor was put forward in the 1850's. The two major contradictions refer to Engels' remarks, made in his "Foreword to Volume II of 'Das Kapital'": First, the contradiction between the law of value and the exchange of labor and capital; and second, the contradiction between the law of value and the equal amounts of profits obtained from equal amounts of capital. These were also the two major problems concerning surplus value that bankrupted the Ricardo School. Only by solving these two major contradictions can the theory of surplus value be founded comprehensively. However, Marx could not solve the matter in the 1840's.

Does this mean negating "Manifesto of the Communist Party" as being a symbol of the outcome of scientific socialism? No, certainly not. Prior to the publication of "Manifesto of the Communist Party," Marx and Engels comprehensively demonstrated the basic principles of historical materialism in their works such as "The Holy Family," "The German Ideology," and so on. These principles provided correct theory and methods for the founding of scientific socialism. It was precisely according to the principles of historical materialism that they expounded their basic views on scientific socialism. For example, the views on socialism inevitably replacing capitalism, the historical mission of the proletariat, proletarian revolution and dictatorship, proletarian internationalism, the necessity of a proletarian political party for the emancipation of the proletariat, and so on. The establishment of these views is sufficient to prove that the publication of "Manifesto of the Communist Party" indicted the formal outcome of scientific socialism and ushered in the new era of the proletarian liberation movement.

URBAN ENTERPRISES TO UNDERGO REFORM IN 1985

HK100409 Beijing CHINA DAILY in English 10 Jan 85 p 4

[By Yuan Baohua, vice-minister of the State Economic Commission]

[Text] Enterprises up and down the country quickened their steps of reform in 1984, paving the way for an overall urban economic shake-up in 1985. This will be a year when enterprises reform their management and administration and aim for greater prosperity.

There are several new challenges facing enterprises in 1985. First, the economic reforms need to be promoted in the cities, and enterprises will be requested to continue with the revitalization process, which is the key link.

Secondly, the Party's consolidation work is to enter its second phase, with the work being spread among more enterprises. Thirdly, the nation's Sixth Five Year Plan will be completed, preparing the way for the Seventh. To summarize, the further reform of enterprises should act as an insurance in fulfilling State plans and quotas and raising economic benefits.

For each enterprise, there will be a different emphasis. Those where consolidation work has already been carried out with success, especially the major large and middle-sized enterprises, should make full use of their newly acquired decision-making power to open up new ways to develop their production and business.

In addition, the enterprises will need to work out specific management strategies with reference to State plans to meet the needs of the domestic and foreign market. In 1985 they are required to update their technology, management, and training of personnel.

Enterprises which have not yet completed management reforms must step up efforts. Any practice which completes the procedures only on a superficial level should be avoided. The State-run enterprises included in the State consolidation plan must complete these reforms before next June.

The following aspects of work need to be stressed to ensure the smooth progress of reform in each enterprise:

-- Leading bodies in enterprises should be adjusted and plans drawn up to introduce a directorship system.

Past practice has shown that a strong and forceful leadership aids progress in production and reform of an enterprise. Leading bodies in enterprises have undergone changes, but these often remain far from what the new situation requires.

The larger enterprises need to select the right candidates as directors, chief engineers, chief heads of economy, chief accountants, and secretaries for Party committees and the number of assistant-directors should be cut accordingly.

High standards should be employed in the choice of leaders. Those with new ideas and a willingness to take responsibility should be the first choice. They should also be knowledgeable and of a younger generation than the existing leadership, preferably in their thirties and forties. As stated by the State Council, directors and managers will work over a period of time and will not remain forever in their posts.

-- Reforms in various fields need to be carried out in order to modernize management.

Leading offices and departments need to be streamlined, handing down more decision-making power to lower departments. Enterprises need to realize the importance of marketing, information, and competition and should always keep their customers' needs in mind.

Research in new technology and the distribution of professionals need to be speeded up and an overall service network established. Regulations and rules concerning finance and monetary matters should also be completed.

Changes in the market mean that new products will have to be designed and manufactured using modern techniques and featuring greater diversity.

-- The economic responsibility system can be even further improved to ensure the fulfillment of production quotas through joint efforts. In addition, workable rules in the distribution of the labour force and the use of professional skills need to be implemented.

Starting from this year, workers will be paid according to the amount of work they do and according to the economic results their enterprise achieves.

-- Whether an enterprise is run successfully and profitably depends, to a large extent, on how many skilled workers and technicians it can employ. Modernization requires a large workforce with a good mastery of modern science and technology and management skills. All forms of education, therefore, need to be stressed, to train both leaders and workers at all levels.

RENMIN RIBAO URGES DEVELOPING TERTIARY INDUSTRY

HK080821 Beijing RENMIN RIBAO in Chinese 4 Jan 85 p 1

[Commentator's article: "Pay Special Attention to Commercial and Service Trades in Developing Tertiary Industry"]

[Text] There is a strong demand for developing tertiary industry at present. The underdevelopment of tertiary industry is keenly felt, in particular, the lack of commercial and service trade networks and outlets.

Special attention should be paid to commercial and service trades in developing the tertiary industry at present. Those engaged in economic work, affected over a long period of time by the conventional concept of looking down upon commerce and service trades, in particular the interference of "leftist" ideas, often focused their efforts on grasping production regardless of solving problems concerning people's everyday life, and they have overlooked the important roles of commerce and service trades in the whole national economy.

In many specific policies and measures, they have not encouraged people to go in for commerce and service trades, but have checked the practice. The workers and staff involved in commerce and service trades have worked very hard; however, the rewards they get are not sufficient. This condition has been somewhat improved in recent years; however the situation is still not satisfactory. And further reform is expected. Moreover, the output value of service trades is not calculated in our country. Tertiary industry has not been developed as one of the economic pillars, but is run as a welfare undertaking, or even like a charity. The charges of some service trades are on the low side, and fail to bring in a reasonable income. As a result, many service trades which are helpful to the masses and society are in a slump, going from bad to worse. Socialist commerce and service trades should not put profit-making first, but they should make some profits. A business which is suffering from losses cannot go on indefinitely.

An economic structure of "being small but complete," or "being big and complete" is also a hindrance to developing the commerce and service trades. Now many enterprises, institutions, bodies and schools have become "small societies" of their own. Smallist factory has its own complete backup services. Such a "self-contained policy" cannot bring in good economic results.

For example, after their quotas are fulfilled, the truck teams of many enterprises have surplus transport capacity, which is wasted because they have not linked themselves with the needs of society. The auditoriums of some institutions are built with style: but it is a pity that they are "only open to the institutions concerned," and their use rate is very low. The practice of enterprises running "societies" has not only wasted a lot of manpower and financial power, but also distracted the attention of the leadership, increased production costs, and does not pay from the view of social economic results. Such a closed-type of service structure must undergo reform.

Our country abounds in labor resources and has very good conditions for developing the tertiary industry with bright prospects. In recent years, there has appeared a "trilogy of labor forces" in the rural areas, which undergoes development from everybody being crowded on limited farmland to make a living, to the gradual establishment of enterprises and undertakings in towns and townships, and now, some of the peasants going to towns to open hotels, run shops, and go in for repairing services, and so on. The change in the structure of labor forces has demonstrated that the developing trend of our national economy has already pushed tertiary industry onto the economic stage. Our leading departments should forecast and maneuver the development of this trend and, while encouraging the peasants to go in for tertiary industry, they should guide and promote more urban citizens to be employed in this field. Now there are so many difficulties in the daily life of the urban people, while there are also many people idle, and developing the tertiary industry in a big way is the best way to harmonize the relations of these two aspects.

TWO AGENCIES BREAK BARRIERS, JOINTLY RECYCLE COAL

OW101019 Beijing XINHUA Domestic Service in Chinese 0112 GMT 9 Jan 85

[By reporter Ge Daxing]

[Excerpts] Beijing, 9 Jan (XINHUA) -- The State Administration of Building Materials and the Ministry of Water Resources and Electric Power will break the bounds of departments to jointly develop and utilize pulverized coal ashes, a waste material discharged by power plants, to produce building material. This was recently discussed and decided on both sides when a responsible person of the State Administration of Building Materials called on a leader of the Ministry of Water Resources and Electric Power.

In the process of production, thermoelectric power plants discharge large amounts of pulverized coal ashes. At present, over 30 million tons are discharged each year with less than 20 percent of them utilized. As a result, they have become a heavy burden for many power plants. They have also seriously contaminated the environment. To promote multipurpose utilization in this field, the departments of power industry and building materials industry also made great efforts in the past. However, both sides were constrained by the management system and blinded by prejudices. They failed to make good coordination. As a result, the development was slow.

The responsible persons of the State Administration of Building Materials and the Ministry of Water Resources and Electric Power have now decided that to utilize power plants' pulverized coal ashes to produce building material, it is necessary to implement the principle of "whoever discharges the ashes utilizes the ashes." The electric power departments and enterprises will play the principal role, while the building materials departments, proceeding from the management angle will offer full support and cooperate in terms of choice of equipment, technological design, qualified personnel, techniques, and information.

Commentator's Article

OW101021 Beijing XINHUA Domestic Service in Chinese 0120 GMT 9 Jan 85

[XINHUA commentator's article: "These Bounds Are Broken Well" -- XINHUA headline]

[Text] Beijing, 9 Jan (XINHUA) -- The State Administration of Building Materials and the Ministry of Water Resources and Electric Power have broken the bounds of departments and jointly utilized power plants' pulverized coal ashes to turn waste material into treasures. Through this is a small matter, it is thought-provoking: When we consider a question or do something, should we take the advantages and disadvantages of our own departments into account or have the gains and losses of society as a whole in mind?

As we all know, pulverized coal ashes are a scourge while lying in heaps, but when utilized they are treasures. It seems all we should do is to utilize the ashes fast and well and that we need not care which department is handling the matter. However, some comrades failed to do so in the past. They did not cooperate. They were pre-occupied with the underserved reputation of who would take charge. As a result, when departments haggle over their reputation, the state suffers, just as the saying goes: "The road to happiness is strewn with setbacks."

Let us just imagine the following: If a waste material in some household can be turned into a treasure, the householder will certainly not postpone the opportunity. He will spare no efforts to change it. We are afraid that the uncooperative attitude of the State Administration of Building Materials and the Ministry of Water Resources and Electric Power on the multipurpose utilization of pulverized coal ashes in the past showed that they did not regard this task which benefits the country and the people as their own business. They did not link their own interests closely with those of the state. They have now changed their attitude and no longer set up barriers between each other. They work for the common goal and offer manpower, funds and facilities whenever necessary. They are making a concerted effort. These bounds are really well broken! It is a regrettable fact that because of endless disputes between departments concerned, some obviously good things which are advantageous to society cannot be accomplished today. Some departments refuse to cooperate; some shift responsibility onto others; some argue back and forth; some make things difficult for each other; some harm others to benefit themselves. This practice of paying attention to only the department's local and partial interests but ignoring the overall interests of society as a whole is indeed a large enemy of the four modernizations.

Though there exist various contradictions among the people, including departments, in our socialist society, our fundamental interests are concerned. Breaking the bounds of departments to jointly bring benefit to the country and the people is both necessary and entirely possible. Have the State Administration of Building Materials and the Ministry of Water Resources and Electric Power not already succeeded in breaking the bounds between them! We expect to see still more departments, while making reforms, break as soon as possible those bounds which obstruct the development of productive forces and social progress, and make united efforts to promote the motherland's four modernizations.

NI ZHIFU ON CIVILIAN, DEFENSE INDUSTRY COOPERATION

HK100653 Beijing JINGJI RIBAO in Chinese 31 Dec 84 p 3

[Article by Ni Zhifu, member of CPC Central Committee Political Bureau and Secretary of Tianjin Municipal CPC Committee: "Create More and Better Forms of Army-People Cooperation"]

[Text] In the past year, the Commission of Science, Technology, and Industry for National Defence and the comrades from the five ministries with involvement in the national defence industry helped Tianjin in doing a lot of work and scoring a lot of achievements. If it can be said that the five ministries are "five mighty tigers," then military-civilian combination is "a mighty tiger with wings."

In the departments and affiliated organizations of the national defense industry, there used to be a clear guiding ideology which was "combination of military and civilian and of peacetime and wartime uses, putting Army necessities first and having the civil supporting the military." The policy has shown further development in the new historical period. Comrade Xiaoping said: "Besides accomplishing the tasks of the research and production of the weapons and equipment stipulated by the State Council and the CPC Central Military Commission, the departments and affiliated organizations of the national defence industry should do their best in the research and production of civilian products." Comrade Zhiyang also pointed out that it is a matter of great importance for the technology of the defence industry to be transferred to civilian industry; if this can be well done, the technology of civilian industry will be greatly improved. It is necessary to consider comprehensively and to integrate the transfer of the technology of the defence industry to civilian industry with the import of technology and the tackling of technological problems in the country.

It is not necessary to import technology the defence industry already has. Transfer of technology of the defence industry to the civilian industry, can only be made a long-term thing if we display fine style and, on the other hand, the transfer is done for payment. The year of practice has shown that military-civilian combination is an important way to accelerate the development of the production and technology of our city. If we analyze the advanced countries, we can clearly see that in those countries that have quickly transferred the technology of the defense industry to the civilian industry, the standard of their whole social productive forces, the standard of their science and technology, and their economic results are higher. On the contrary, in those countries that have not integrated their defense industry with the civilian industry, but have strictly separated them, their civilian industry is far more backward and the whole national economy is in an unbalanced and irrational state, even though the standard of their space technology and the technology of nuclear power is higher. The experiences and lessons at home and abroad have fully proved that the CPC Central Committee's policy on military-civilian combination and the transfer of the technology of the defense industry to the civilian industry is absolutely correct and is compatible with the law governing the development of social production forces, so we must resolutely carry it out.

Tianjin, like other parts of our country, faces the serious task of carrying out technical reform in the old enterprises during the period of the Seventh 5-Year Plan. At present, we should concentrate on the basic industry, form our own method of technical reform, and put more stress on the basis. There is something in common in all departments of industry, that is, basic components, basic materials, and basic technology, which are called "three bases." All military weapons, civilian products, and all kinds of machines and equipment are made from different materials and they are all composed of various "mechanical, optical, and electronic" components and spare parts, and they also share the same basic manufacturing techniques and technologies. We should make full use of all kinds of methods, including the transfer of the technology of the defense industry to the civilian industry, tackling our domestic technical problems, and also importing technology and so on to concentrate on the "three bases" and quickly master a whole set of advanced manufacturing techniques and technologies and build our own new raw material system as well as produce our own quality mechanical, optical, and electronic components, spare parts, and other basic components. So long as we have these high-technology products and have serialized the varieties and standards and socialized of production and marketing, our military weapons and civilian products will quickly be renewed and replaced by the latest models, and we will be able to produce various kinds of equipment for special machines and automatic assembly lines; and the new plans and clever designs made by our designers will quickly be turned into tangible things from blueprints. After they have been used and improved, these products will stimulate new plans and new designs in enhancing the productive forces. If we establish a benevolent cycle that advances the development of technology, we will greatly accelerate our pace in the realization of the four modernizations.

The CPC Central Committee and the State Council have taken Tianjin as an experimental unit in economic and technological cooperation with the departments and affiliated organizations of the defence industry. This is a very important political task, and we should clearly understand the importance of the task we are shouldering. It is also a very important reform in the science and technology structure and in the economic structure for the departments and the affiliated organizations of the defence industry to conduct long-term and whole-scale economic and technological cooperation with Tianjin. This will be beneficial to bringing into full play the advantages of both sides and pushing forward the development of technology as well as raising the economic results so as to accelerate the pace of achieving the four modernizations.

There are bright prospects and wide fields for bilateral economic and technological cooperation. We should combine the advantages of both sides and search for a new way in military-civilian combination and a new way of combining the advanced technology, to accelerate the development of the national economy as well as open up a new prospect in closely integrating the transfer of the technology of the defense industry to the civilian industry, with importing technology and tackling domestic technological problems.

PLA DEPARTMENTS COMMEND SIX GRASSROOTS UNITS

0W101219 Beijing XINHUA Domestic Service in Chinese 1243 GMT 9 Jan 85

[Text] Beijing, 9 Jan (XINHUA) -- The PLA General Staff, Political, and Logistics Departments recently issued a joint circular commending six advanced grassroots units.

The commended units are the fourth company of a certain border defense regiment under the Nei Mongol Military District, the wire company of the telecommunications battalion of a certain division under the Shenyang Military Region, the first company of a certain regiment under the Nanjing Military Region, the second company of a certain regiment under the Urumqi Military Region, Warship No 504 of a certain escort vessels unit of the PLA Navy and the eighth company of a certain regiment of airborne troops of the PLA Air Force.

The circular points out: These advanced units have carried forward and developed our Army's fine traditions in the PLA's revolutionization, modernization, and regularization drive and have dedicated themselves to reform and to blazing new trails and creating new situations. Their deeds and experiences concentratively manifested the goal of the People's Army. From their respective work aspects, they fairly successfully answered the question of how to comprehensively build the companies and raise their combat capability in light of their units' special characteristics and with a view of promoting the general goal and tasks of Army building. Their deeds and experiences are of universal guiding significance. The circular asks all Army companies to learn from their experiences and make new contributions to building a People's Army with special Chinese characteristics. The deeds of these commended six units are briefly introduced here.

The fourth company of a certain border defense regiment under the Nei Mongol Military District: Since 1971, the company has guarded the border in Daxingaling and has successfully completed its various duties and training assignments. It was commended as an advanced border garrison unit 6 times and as pacesetting company in building spiritual civilization twice, and was cited for collective meritorious service, third class. In 1983, the honorary title of "Model Border Defense Company" was conferred on it by the Beijing Military Region.

The wire company of the telecommunications battalion of a certain division under the Shenyang Military Region: The company climbed up the Changbai Shan 3 times and crossed the narrow pass of Nenjiang twice, completing the task of setting up national defense telecommunications lines with flying colors.

During the last 2 decades, the company has successfully completed the task of laying national defense telecommunications lines along the motherland's northern border 16 times and has set up or repaired a total of 1,960 km of telecommunications lines. It was cited for meritorious service twice, once second class and once third class.

The first company of a certain regiment under the Nanjing Military Region: This is the company which Wang Keqin, the late model noted for cherishing fellow soldiers, had worked for during the liberation war. In order to cope with the new situation and problems regarding officer-men relations that had appeared since the 3d Plenary Session of the 11th CPC Central Committee, the company carried forward and developed the fine traditions of cooperation in ideology, skills, and physical strength established by Wang Keqin and launched activities to promote friendship and cooperation between officers and men. The activities have effectively improved the relations between officer and men and promoted overall building of the company.

The second company of a certain regiment under the Urumqi Military Region: The company is made up of cadres and fighters of the Uygur, Kazak, Kirgiz, and Hui nationalities. It was cited for collective meritorious service third class, and was commended as an "Advanced Construction Company" in 1983 during the construction of a border defense road in Karakorum Shan. It was commended as an "Advanced Border Defense Construction Unit" by the Military Region in 1984.

Warship No 504 of a certain escort vessel unit of the PLA Navy: In light of the newly emerged situation and problems, the warship put great stress on building the cadres contingent and took steps to enable the locally born and bred cadres to acquire education and become specialized. It also took steps to enable academy-graduated cadres to raise their actual operation level and their ability to command troops. It took steps to create a new situation in all aspects of the warship's work. As a result, the warship has leaped from a backward unit to the advanced ranks.

The eighth company of a certain regiment of airborne troops of the PLA Air Force: The company was cited for meritorious service, special class, in the famous Sanggam-Ryong campaign in the war of resisting U.S. aggression and aiding Korea. During the peacetime construction period, it accomplished with flying colors its tasks in parachute landing exercises, national defense construction, rescue and relief missions, and exploration of airborne warfare in modern wars. It has maintained its advanced status for the last 28 years and has been cited for meritorious service, second class twice and third class 10 times. It has been named as a pace-setting company 20 times by the PLA Air Force, the Wuhan Military Region Air Force, the corps, and the division.

PLA COMMENDED FOR SAVING SHENGLI OIL FIELD WORKERS

OW100643 Beijing XINHUA Domestic Service in Chinese 1240 GMT 9 Jan 85

[Text] Jinan, 9 Jan (XINHUA) -- The leading comrades of the Shengli oil field and Dongying City in Shandong Province today made a special trip to the Jinan Military Region and its Air Force units to salute the PLA commanders and fighters who made contributions for rescuing some 2,000 people from danger at the estuary of the Huang He.

They highly praised the commanders and fighters for displaying revolutionary heroism and a spirit of being responsible to the people in the course of helping the people deal with an emergency.

On 25 December last year, icy water in the Huang He overflowed the banks because the estuary of the river was frozen due to a cold current. Some 2,000 workers, their dependents, and civilian laborers of the Shengli oil field and nearby peasants were isolated by the icy water. Thanks to the joint efforts to party, government and Army organizations and local people to deal with the emergency, no casualties were reported in that unusual flood. During the visit, local comrades said that it was a miracle achieved by the heroic rescue groups organized by the party, the government, the Army and the people. It has shown again that the People's Liberation Army was a strong backing of the four modernizations. The leading comrades of the Shengli oil field briefed the PLA commanders and fighters on how the oil field workers overcame the flood, promptly restored production, and made new achievements in crude oil production.

The visiting group presented silk banners and souvenirs to the PLA units that took part in combating the flood.

AGRICULTURAL DEVELOPMENT TARGETS OUTLINED

OW100830 Beijing XINHUA in English 0701 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- China will raise its production of compound and mixed animal feeds from seven million tons in 1983 to about 50 million tons by 1990 and 100 million to 120 million tons a year by the end of the century, according to a national development program (1984-2000) publishing today.

The program also outlines new targets for production of feed additives, concentrated feeds, lysine, and trace elements. The production increases will be essential to boosting animal husbandry, now receiving growing attention now that the country is producing more than enough grain for its population.

The central authorities have time and again called for using the surplus grain to develop animal husbandry so that its people, with an enriched diet, will become one of the healthiest and fittest races in the world. The long-term national goal was spelled out by Communist Party General Secretary Hu Yaobang during a recent meeting with Ministry of Agriculture, Animal Husbandry and Fishery officials.

To reach the increased production figures, the program says, the industry will build new factories producing methionine, lysine additive premixing and concentrated feed, making it possible for the country to raise the annual production capacity by 7 million to 9 million tons.

Another one or two methionine plants, as well as two to three additional lysine plants and 50 to 60 more concentrated feed and additive premixing plants will be needed in the last decade of this century, according to the plan.

The program calls for financial and technical support, tax exemptions, preferential loans and favorable pricing to stimulate the industry's development. Steps already taken to achieve the projected goal include setting up of processing plants in most provinces and autonomous regions, their capacity ranging from 2,000 to 5,000 tons a year. A thousand small fish meal processing factories and workshops had been built throughout China by the end of 1983, yielding a total annual output of 65,000 tons.

Some five million peasant families, about three percent of the nation's total, now specialize in livestock and poultry breeding. Animal husbandry is also promoted by state livestock and poultry farms, and is a popular sideline occupation for many agricultural households.

NATIONAL LEGAL ADVISORY AGENCY ESTABLISHED

LD101813 Beijing XINHUA in English 1609 GMT 10 Jan 85

[Text] Beijing, January 10 (XINHUA) -- A national legal advisory agency, the China Law Firm, has been established in Beijing. Sponsored by the Ministry of Justice, the firm is composed of experts in economic laws, jurists and economists. It provides legal advisors, offers consultancy, assists in business negotiations and helps with the examination and preparation of papers such as contracts and articles of association. The firm also acts as an agent in application for patent rights, mediation, arbitration, lawsuits and major cases of civil disputes.

STATE COUNCIL URGES 'PRIORITY' FOR ELECTRONICS

0W110902 Beijing XINHUA in English 0836 GMT 11 Jan 85

[Text] Beijing, January 11 (XINHUA) -- Computers, software, integrated circuits and telecommunications will be given top priority in 1986-1990 development plans for China's electronics and information industries, according to a latest State Council circular. The electronics industry will focus its efforts on the development of micro-electronics technology, and will bring its products into large-scale mass production, the circular says.

Computers and other advanced technologies will also be gradually introduced into China's traditional industries, and will be widely used to upgrade management, designing, testing and quality control. Special attention will be given to Chinese-language data processing systems.

Advanced technology will be brought in by Sino-foreign cooperation including joint ventures and coproduction arrangements, it adds. Special funds will be allocated to key electronics and information projects, while preferential treatment and protective measures will be granted to important electronic products.

Awards will be given to researchers making major contributions to the invention, development and application of new technology. Colleges and secondary schools will also be encouraged to run electronics and information courses to help bring the industries up to advanced world standards as quickly as possible, the circular says.

ANHUI RELAXES POLICY ON FISH SUPPLY, MARKETING

OW042000 Hefei Anhui Provincial Service in Mandarin 1100 GMT 31 Dec 84

[Text] To effect the reform of the supply and marketing system of marine products and accelerate the expansion of fish production in Anhui, the provincial People's Government has decided to further relax the policy on supply and marketing of freshwater fish. Beginning 1 January 1985 a completely open fish market will be enforced and the state's purchase of fish abolished; producers will sell fish at market prices.

The provincial People's Government's document stipulates that after the state's purchase of marine products is abolished, supply and marketing departments of marine products at all levels should conduct all business transactions at negotiated prices, open up circulation channels, and ensure a good supply of both fresh and saltwater fish. The fish market should be invigorated by all methods on the principles of exchange of equal values and mutual benefit. If cities under Anhui's jurisdiction choose to supply fish at parity prices, the city financial departments should pay for the balance. The marine products supply and marketing departments must ensure a sufficient supply of fish by managing its sources.

The document also lays down some regulations about continuing to abide by the agreements already in existence among all parties concerned and about water for drinking and fish breeding. These regulations govern the fish farms of the state marketable-fish bases, the three-level jointly run fish farms, the fish farms jointly run by provincial- and city-level units, and specialized fishing communes and production brigades.

To accelerate the circulation system of rural commodities, the provincial People's Government, while announcing this document, stresses that all departments concerned should, on the basis of summing up the experience gained in the reform conducted in the previous period, further emancipate their minds and, according to the guidelines of related documents, immediately make a serious examination of the past rules and regulations. Abolish those that should be abolished and revise those that should be revised so as to effectively support the efforts to reform the circulation system of rural commodities.

NUCLEAR MINISTRY SIGNS CONTRACTS WITH SHANDONG

SK110115 Jinan DAZHONG RIBAO in Chinese 31 Dec 84 p 1

[Text] More than 70 persons from the Ministry of Nuclear Industry, including Vice Minister Chen Zhaobo, were in Shandong Province from 5 to 21 December on an observation tour and held talks on economic and technical cooperation. During the period, they signed agreements with Qingdao and Yantai Cities on 8 cooperative items and on 24 promising items. These items include plants, designation institutes, and personnel training centers that will be built under the independent investment of the ministry; joint-venture enterprises; and technical transfer and advisory service. Pingdu County signed a long-term agreement with the scientific and technological advisory center under the ministry on economic and technical coordination.

After their arrival, they were warmly received by Liang Buting, governor of the province, and Ma Zhizhong and Ma Changgu, vice governors of the province. At the report meeting held in Jinan City, they also introduced the prevailing situation of the ministry and its work trends in specialized fields.

SHANGHAI ISSUES 'URGENT' RECTIFICATION CIRCULAR

OW110316 Shanghai JIEFANG RIBAO in Chinese 7 Jan 85 p 1

[Text] The Shanghai Municipal CPC Committee office in charge of party rectification recently issued an urgent circular calling for resolute efforts to resist and correct the unhealthy practices that have emerged under the new circumstances. The circular forbids people to commit wrongdoings while carrying out party rectification or after its completion.

The circular points out: Recently, central leading comrades have emphatically and on numerous occasions called attention to correcting the current new unhealthy practices. The note of the Office of the Commission for Guiding Party Rectification under the CPC Central Committee concerning the case of two checkup and acceptance groups for enterprise consolidation under the Ministry of Aeronautics Industry, which committed wrongdoings in the course of party rectification by using checkup and acceptance opportunities to engage in personal pleasure-seeking, and the 3 January RENMIN RIBAO article criticizing a number of units in Shanghai for imposing "exorbitant taxes and levies" on enterprises have sounded the alarm for us. A number of units with very good party style have appeared in Shanghai under the new circumstances. However, what merits our attention is that there are still a number of units that continue to engage in new unhealthy practices by different techniques and under different names in disregard of the CPC Central Committee documents and the Shanghai Municipal CPC Committee's circular regarding 7-point prohibitions. Furthermore, there is a tendency that such unhealthy practices may spread further. Unless we take resolute steps to stop such unhealthy practices, they will inevitably create difficulties and discredit our reform efforts and adversely affect the achievements of the first-stage party rectification units in rectifying party style.

— --
The circular asks the party committees (leading party groups) of the first and second groups of the first-stage party rectification units to conduct a thorough checkup to determine if there are any new unhealthy practices in their respective units. Violations of the central documents and the municipal CPC Committee circular must be immediately stopped or corrected without exception. Those who knowingly committed grave wrongdoings shall be duly, sternly dealt with.

The circular also calls for deepening ideological education among the vast numbers of party members to enable them to correctly handle the relationship between personal and national interests, to establish a mentality of serving the people wholeheartedly and to consciously resist new unhealthy practices. It calls on leading cadres at all levels to remain sober-minded, take a firm stand in resisting all kinds of new unhealthy practice, and set an example for the vast numbers of party members and masses. It calls on them to single out without delay the collectives and individuals who consciously safeguard party style and discipline, boldly create a new situation, and effectively carry out the modernizations and widely publicize their advanced ideology and outstanding deeds in order to foster healthy trends and educate the whole party.

The circular emphatically points out: In checking up and summarizing party rectification, the first group of the first-stage party rectification units should ensure that the new unhealthy practices are effectively stopped. If it is determined that the unit has not met the requirements in this respect, the unit should take additional party rectification steps and should not announce the completion of its party rectification. In the course of correcting mistakes while carrying out party rectification, the second group of the first-stage party rectification units should focus on stopping new unhealthy practices and should ensure that their efforts produce concrete results.

HUBEI TO REFORM ECONOMIC PLANNING SYSTEM

HK110229 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 10 Jan 85

[Text] Hubei Province will carry out major reforms in its economic planning system this year. In agriculture, there will be a complete switch to guidance planning for the main products. In industry, there will be a marked rise in the proportion of regulation by market mechanism. This news has been gathered from the provincial planning conference which is now in session.

Reform of the planning structure is the core of the reform of the entire economic structure. The main aims of the province's reforms in planning system are to change the situation of excessive centralization and rigid controls in the current setup, and to establish a planning system which combines centralization with flexibility, so as to help the localities and units to consciously apply the law of values and bring into full play the role of economic levers.

This reform began on a trial basis on 1 January. Its main features are as follows: In agricultural production, the provincial authorities will only issue guidance planning targets for 13 main products, namely grain, cotton, oil-bearing crops, ramie, jute and ambari hemp, silk cocoons, tea, cured tobacco, (?green) tobacco, meat, pigs, egg products, and aquatic products, and for afforestation areas. For all other products, arrangements will be made by the localities.

In industrial production, in the past the province issued mandatory plan targets for 177 products. This year, mandatory plan targets will still be issued for 43 products, and guidance plans will be issued for 54 others. For all other products, the enterprises will organize production themselves according to market needs.

In order to bring into play the key role of large and medium cities in organizing the economy, Shanshi, Xiangfan, Huangshi, Shiyan, Yichang, Jingmen, and Ezhou Cities will be granted greater examination and approval powers in economic management than other prefectures and autonomous prefectures. Wuhan City will be listed separately in the plans.

GUAN GUANGFU EMPHASIZES ROLE OF HUBEI CPPCC

HK110227 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 10 Jan 85

[Excerpts] Provincial CPC Committee Secretary Guan Guangfu said today at a symposium on the work of the CPPCC: The CPPCC abounds with knowledge and talent and is a major force in the four modernizations drive. The CPC committees at all levels and the comrades of the whole party must further enhance understanding of the status and role of the CPPCC, correct and eliminate all kinds of ideas of neglecting CPPCC work, actively support and help the CPPCC in carrying out its work, and bring into play the role of the CPPCC in Hubei's four modernizations drive.

Comrade Guan Guangfu said: At present the leading party and government departments in some parts of the province failed to attach sufficient importance to or support CPPCC work. Some county CPPCC organizations have only two or three cadres and one room and do not even have a car. How can they carry out work? The county CPC committees and governments concerned should seriously study this situation and rapidly change it.

Guan Guangfu stressed: In the future the principal responsible comrades of the CPC committees and the comrades in charge of CPPCC work must regularly listen to CPPCC work reports and tangibly help them to solve some major problems and practical difficulties.

The leading party and government departments must report to the CPPCC on the major events in party rectification, economic construction, and reforms, and listen to the views and suggestions of the CPPCC and non-party comrades. They should gradually form a system for this.

He said: The work of the CPPCC must center on the party's general goal and task. As far as Hubei is concerned, the focal point in CPPCC work is to serve the goal of attaining doubling 2 years ahead of schedule and the tentative idea on economic development strategy. In the near future, in its economic work the provincial CPC Committee will get a vigorous grasp of bringing into play the backbone role of large enterprises, speed up technological transformation, accelerate comprehensive harnessing of the water belts, provide assistance to poor areas, and so on. These are important cardinal links with a bearing on the overall situation. The CPPCC should bring into full play its special and superior features, carry out investigation and study, organize forums and discussions, launch consultative services, and actively come out with schemes and ideas. The CPPCC should also make full use of its overseas social relations to actively bring in new technology, capital, and talent. In particular, the CPPCC at reform trial points, cities, and counties should actively carry out their work centering on local efforts to enliven the domestic economy and open up to the world, and make still greater contributions.

HUNAN CONFERENCE ON TOWNSHIP ENTERPRISES TASKS

HK101436 Changsha Hunan Provincial Service in Mandarin 0000 GMT 10 Jan 85

[Text] At a provincial conference on summing up quality management work of town and township enterprises in 1984, provincial Vice Governor Cao Wenju said that town and township enterprises should shoulder heavy tasks in readjusting the rural production structure.

He said: We must reunderstand the important role of town and township enterprises in the national economy. In the past some people thought that town and township enterprises competed with large-scale industries for raw materials, energy, and markets. This was an idea of the small-scale peasant economy. At present, along with the in-depth development of the reform of the urban economic structure, town and township enterprises are meeting a new challenge. All town and township enterprises throughout the province must notice the competition, meet the needs of the market, and manufacture fine-quality and inexpensive products.

Comrade Cao Wenju said that in order to win victory in its competition with urban enterprises, the essential thing for town and township enterprises is to upgrade the quality of enterprises and place talent in important positions.

He demanded that all town and township enterprises in the province cater to the needs of the market, firmly grasp enterprise restructuring, dare to compete with urban enterprises, and strive to make new development in the competition. In 1985, they should try to increase their income by 3 billion yuan over 1984, and should increase the average income per peasant by 40 yuan.

GUIZHOU CHECKS ON ALUMINUM MINE'S PRACTICES

HK091524 Guiyang Quizhou Provincial Service in Mandarin 2300 GMT 8 Jan 85

[Text] The provincial CPC Committee and the provincial People's Government have promptly adopted measures to resolutely protect the state's natural resources for capital construction. They have checked the practice of some units and peasants arbitrarily extracting natural resources in the Guizhou aluminium plant's Xiuwen and Qingzhen mines.

On 11 December last year, this station and the Guizhou television station jointly reported a story on the practice of seriously damaging the natural resources of Guizhou aluminium plant's Xiuwen and Qingzhen mines. Both stations urged the parties concerned to promptly adopt measures to protect the state's natural resources for capital construction.

After listening to the broadcast of this station and watching the television broadcast of the provincial television station, the principal responsible comrades of the provincial CPC Committee immediately instructed the departments concerned to check this malpractice, which damages the state's natural resources.

The radio and television broadcasts, the coverage by other news units, and the important instruction of principal responsible comrades of the provincial CPC Committee attracted close attention from the areas and departments concerned. The provincial Economic Committee and the provincial branch of the National Nonferrous Metal Corporation send four comrades, who were joined by the leadership of Qingzhen and Xiuwen Counties, and formed an investigation team for the matter. The team later held that the situation reported by the news units was true.

In connection with the spirit of the provincial CPC Committee's principal responsible comrades' instruction, the investigation team and the leadership of Qingzhen and Xiuwen Counties promptly adopted resolute measures to deal with the matter, thereby quickly checking the situation of arbitrarily extracting natural resources from the mines.

Moreover, the No 1 and No 2 mines of the Guizhou aluminium plan established leading groups for protecting natural resources. Despite cold weather, the leadership of Qingzhen County went to the mines and publicized the action so as to resolutely check the phenomenon of arbitrarily extracting from the mines. Xiuwen County also formulated 12 regulations on managing the mines.

YUNNAN RIBAO ON SUPPORTING LOCAL MARKETS

HK101155 Kunming YUNNAN RIBAO in Chinese 26 Dec 84 p 2

["Economic Jottings" by Wu Shi: "Why Strive for 'Sales in Distant Places?'"]

[Text] When mentioning their business results, some enterprises like to say that their products have been sold in distant places. For example, goods made in some prefectures "have been sold in Kunming;" or goods made in Yunnan "have found markets as far away as in Guizhou and Guangxi," or "have even been exported to Hong Kong and other overseas markets." In general, all this may be fact. However, some goods are not indeed sold in a "distant" place, and the exact results of some cases of "distant marketing" are not very remarkable. It is open to question whether it is necessary to encourage people to sell many products, especially those produced by small and medium-sized enterprises, to "distant" places and whether it is more important to seek casual and modest sales on distant or overseas markets than to promote substantial sales on local markets.

Admittedly, commodity production is always related to competition, and putting commodities on the markets is a process of participating in a business competition. There is nothing bad in this. A commodity can win a superior position on markets in other areas because it is highly competitive because of its good quality and low price. It is certainly a good thing to see that some products being competitive enough to enter markets in other areas or "distant" places. This should be encouraged, should be supported, and should be publicized as some outstanding achievements. At issue is that all marketing efforts should be based on the actual capacity and conditions of the goods and attention should be directed to effective economic results when seeking markets for our goods. It is unnecessary and inadvisable to strive for markets in other areas or in distant places for products which are not competitive enough. If our attention is only directed to markets in other areas to the neglect of local markets and our products still fail to enter markets in other areas despite of our efforts, we will as a result fail to improve our economic results and also fail to meet local demands, and this will be a game not worth the candle.

The above is not a discouraging remark, and neither do we want to dampen the enthusiasm of some enterprises. What we want to emphasize is this point: Don't look down on local markets, and don't neglect the increasing demands on local markets that we should study and satisfy. Is it not a great achievement that many of our products can gain a firm foothold on markets throughout Yunnan Province and can be well matched with the same types of products from other provinces? Are local markets too small? No. Our province has a population of more than 30 million people, has more than 20 nationalities, and has 17 prefectures, autonomous prefectures, and cities with a total of 128 counties. Geographically, our province includes mountainous areas, plain areas, border areas, and interior areas. We should say that there is a vast market in our province, which can absorb large quantities of goods and materials for construction, production, and the people's livelihood. Our local markets not only need low-grade commodities, but also high-grade commodities; not only need traditional goods, but also new products and all sorts of products for special purposes. We must pay sufficient attention to local markets and base ourselves on local markets. This requires us to make more earnest, intensive, and deepgoing investigations of demand on the local markets so as to produce more marketable goods of good quality. In short, those who have no advantageous conditions to promote "distant" marketing should make up their minds to promote sales on markets in local and nearby areas so as to develop their production and business. This way will certainly be very bright.

YUNNAN FRONTIER GUARDS HOLD VICTORY MEETING

HK101204 Kunming YUNNAN RIBAO in Chinese 29 Dec 84 p 1

[Report by Tan Xiancai and He Shengdi "A Certain Unit of the Frontier Guards Holds a Ceremonious Victory Meeting"]

[Text] From 23 to 26 December a certain unit of the Yunnan frontier guards held a ceremonious victory meeting for the combat heroes of the self-defense combat against Vietnam in the Lao Shan and Zheyeng Shan mountain areas.

Since the beginning of this year, the commanders and fighters of this unit have displayed a high patriotic spirit and the spirit of revolutionary heroism in their fighting to recover and defend the Lao Shan and Zheyeng Shan areas. They have continuously fought against and beaten back the invading Vietnamese troops many times and have achieved heroic and moving deeds of merit. Many combat heroes and model soldiers as well as brave collectives and individuals have emerged.

Among them, three combat units and individuals have received honor titles from the CPC Central Military Commission and 11 combat units and individuals have received the honor titles from the Kunming Military Region. Thirty-one combat units and 37 commanders and soldiers have been honored with merit citations and a large number of collectives and individuals have been given Second-Class and Third-Class honors.

Zhang Zhixiu, commander of the Kunming Military Region, attended the meeting and delivered a congratulatory speech. He highly praised the unit for displaying the "five revolutionary spirits" advocated by Deng Xiaoping, chairman of the Central Military Commission, in their fighting to recover and hold fast to the Lao Shan and Zheying Shan mountainous areas, for their resolute command, brave fight, and for having fully displayed the power of the country and the power of the Army in their fighting. He hoped the combat heroes and all the commanders and fighters will conscientiously study and carry forward the spirit of the 3d Plenary Session of the 12th CPC Central Committee, add to their achievements, enhance their combat preparedness, and make new contributions in defending the four modernizations and the frontier.

The comrades in charge of the three main leading departments of the Kunming Military Region read out the citations and the orders of Deng Xiaoping, chairman of the Central Military Commission, on conferring the honor titles, and the orders of the Kunming Military Region on conferring honor titles as well as the congratulatory letter of the region. Liao Xilong, Qu Mingyao, Zeng Qiangbin and other leading comrades of the unit spoke successively at the meeting and read out the orders conferring the honors and the decision of the CPC Committee of the unit on learning from the combat heroes and model soldiers. They also conferred rewards and banners on the outstanding combat units and individuals.

Former leading comrades of the unit and retired veteran commanders who had once made contributions to the unit as well as the leading comrades of the local party committee and local government attended the meeting.

During the meeting, the combat heroes and model soldiers as well as those who had made outstanding contributions celebrated the victories and summed up and exchanged experiences together. All of them agreed that they will be modest and prudent, guard against arrogance and rashness, and with a revolutionary and pioneering spirit, will step up the revolutionaryization, modernization, and regularization of the unit so as to perform new feats in defending and building the frontier.

YUNNAN PEOPLE'S CONGRESS COMMITTEE MEETING ENDS

HK100329 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 9 Jan 85

[Excerpts] The 11th meeting of the 6th provincial People's Congress Standing Committee concluded on 9 January. During the 3-day meeting, the participants seriously studied and discussed the CPC Central Committee decision on reform of the economic structure, and discussed Governor Pu Chaozhu's report on reform of the economic structure, and the report of the provincial government on the development of enterprises in townships and small towns.

At the meeting on 9 January, Vice Chairman Qi Shan reported on people's congress elections in counties and townships in 1984. He said: this election work started in December 1983. Apart from Jianshui and Simao counties which did not elect new People's Congresses in 1984, all other 127 county-level election units and 12,559 townships, including 1,682 nationality townships, and 571 towns, including 169 towns subordinate to counties, had completed their elections by the end of September.

Vice Chairman Yan Yiquan presided at the final meeting. Chairman Liu Minghui and Vice Chairmen Sun Yuting, Ma Wendong, Wang Zhichao, and Wang Lianfang attended.

ZHOU HUI ADDRESSES NEI MONGGOL COMMUNICATIONS FORUM

SK101439 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 9 Jan 85

[Text] After hearing the report given by the regional Communications Department, Zhou Hui, secretary of the autonomous regional CPC Committee, pointed out: Communications and transportation constitute the nuisance in enforcing the open-door policy in order to enliven the economy in the region. We should adopt every possible ways and means to fully tap latent potential and should encourage the people in various circles to actively develop communications and transportation.

On the morning of 8 January, the Standing Committee of the regional Communications Department with regard to the current communications work and plans for the upcoming period.

The fourth regional CPC Congress held not long ago prominently stressed the issue of developing communications and transportation undertakings. Following the congress, the regional CPC Committee urged the departments concerned to straighten out the guiding ideology of their professional work in line with the spirit of the 3d Plenary Session of the 12th CPC Central Committee, to ferret out their major problems, and to work out measures for accelerating the pace of developing communication and transportation undertakings.

After hearing the report at the session, Comrade Zhou Hui pointed out: Issues concerning communications constitute a central problem adversely affecting economic construction throughout the region. We should exert efforts to deal with the problem successfully. Today's session convened to hear the report in this regard is only a start and such reports should be continuously worked out through careful studies, and submitted to other sessions. He urged the department to work out its next report full of (?flesh and blood).

In reference to the way to draw up a sound report, Comrade Zhou Hui stressed that efforts should be made to engage in study on the one hand and to carry out investigations on the other hand. This means to earnestly study the documents issued by the central authorities and to go deep into enterprises and become familiar with contradictions cropping up in various fields in order to work out measures to deal with them. [words indistinct] In carrying out investigations, efforts should be made to practice affirmation on the one hand and negation on the other hand. This means affirming achievements while boldly acknowledging that some experiences have become out of date, boldly breaking through old ideas and outmoded regulations and rules, and forging ahead step by step by proceeding from the drive to conduct reforms.

In conclusion, Comrade Zhou Hui stated: Communications and transportation are major fields. We should advocate simultaneous development among enterprises owned by the state, collectives, and individuals; among enterprises that are automated or semi-automated; among enterprises that use draft power or human labor; among enterprises specialized in communications and transportation work and units that take these work as sideline jobs; and among enterprises that engage in business related to the railways, highways, waterways, and airlines, in order to strive to change, as soon as possible, the (?prevailing backward situation) in the communications and transportation field.

HEILONGJIANG CIRCULAR ON UNHEALTHY TRENDS ISSUED

SK101523 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 9 Jan 85

[Text] The provincial Discipline Inspection Commission issued a circular recently on straightening out the party style, strengthening discipline, and ensuring the smooth development of reform. The circular urges resolute efforts to prevent and correct recent unhealthy trends under the current reform. The circular states: At present, some new unhealthy trends have emerged in some areas. Some party and government organs and cadres have engaged in trade and initiated enterprises to obtain the interests of small groups and individuals. Some have violated the economic and financial regulations, and squandered the capital and goods of the state and collectives under the billboard of reform and in the name of vitalizing the economy. Some have arbitrarily raised prices, disrupted the market, and infringed upon the interests of the state and customers. Some have arbitrarily increased the number of positions for cadres, and thus interfered with the reform of the wage system and cadre system. Some have indulged in smuggling, accepting bribes, evading taxes, or illegally buying the state's scarce goods and then reselling them at a profit in violation of the state economic regulations. Some have taken advantage of positions and powers to live off others' profits, and to infringe upon the interests of the people who have become prosperous through hard work. Some have indulged in factionalism, abused their powers, appointed people through favoritism, and so forth. Such practices not only harm the economic structure reform, but also harm the construction of party style and party discipline. If we allow such practices to spread unchecked, not only will the purpose of reform be destroyed, but the smooth development of reform will be hampered. To counter this, we must remain sober-minded, and resolutely check and correct such practices.

The circular points out: In line with the guidelines of the central documents, the new situations and problems arising in reform must be treated using as a criterion whether they are conducive to the development of the social productive forces, to the building of socialism with a Chinese style, to the prosperity of the state, and to the people's happiness. By no means should we regard ideological problems as violations of political discipline, and regard mistakes committed as a result of lack of experience as unhealthy trends. Specific problems should be analyzed individually.

JILIN ARTISTS, WRITERS STUDY HU QILI SPEECH

SK100355 Changchun Jilin Provincial Service in Mandarin 2200 GMT 9 Jan 85

[Excerpts] On the afternoon of 9 January, the provincial Federation of Art and Literary Circles and the provincial Writers Association held a forum to study Comrade Hu Qili's congratulatory speech at the Fourth Congress of the Chinese Writers Association.

Liu Jingzhi, secretary of the provincial CPC Committee, and Liu Yunzhao, vice governor, and responsible comrades of the Propaganda Department of the provincial CPC Committee, the provincial Cultural Department, and other relevant departments attended the forum. Provincial delegates to the national congress of the Chinese Writers Association, including (Gong Mu), (Wang Chen), (Hu Zhao), and (Ji Yue), gave an account of their experiences of the National Writers Congress.

In his speech, Comrade Liu Jingzhi expressed the hope that writers will go all out to free themselves from the leftist shackles, and make new contributions to make the province's art and literary creations flourish.

The forum was enthusiastic from start to finish. About 100 persons attended the forum, including well-known figures of the provincial and Changchun City art and literary circles, chief editors of various art and literary books and journals of the province, and writers to the provincial major drama discussion meeting.

SHENYANG MILITARY REGION MEETS ON RECTIFICATION

SK100357 Shenyang LIAONING RIBAO in Chinese 22 Dec 84 p 1

[Excerpts] On behalf of the Standing Committee of the CPC Committee of the Shenyang Military Region, Liu Zhenhua set forth five measures at the region's meeting to sum up the first stage of party rectification work. He urged all party members and cadres to stand guard against arrogance and rashness, to consolidate the achievements in party rectification, to enhance vigor, to have the whole situation in mind, to unite as one, to make persistent efforts, and to create a new situation in Army building in the coming year. After talking about the achievements and experience in the party rectification, Liu Zhenhua said: The year 1985 is just around the corner. The tasks ahead of us are more arduous and glorious. We will go through new trials. On behalf of the Standing Committee of the CPC Committee of the Military Region, he set forth five measures for creating a new situation in Army building.

1. We should deeply study and implement the guidelines of the 3d Plenary Session of the 12th CPC Central Committee and the forum of the Military Commission, conscientiously act in unison with the CPC Central Committee, and make the Army building and all professional work to submit to and give service to the feneral tasks and the general goal of the party and to suit the great situation of the country building. We should discuss ways to eliminate the practices of giving vague and general directions for work, and further strengthen the creativity of work.
2. We should continue to achieve the education on thoroughly negating the "Great Cultural Revolution," and thoroughly eliminate the "leftist" influence.
3. On the basis of simplifying and reforming the system of establishing Army units, we should continue to attend to the reform in all fields.
4. We should carry forward the spirit of boldly conducting criticism and self-criticism in the course of rectification, further enhance the party spirit and guard against and prevent the new malpractices that may arise.
5. We should conscientiously absorb and apply the experiences gained in the first stage of party rectification and give good instructions to the second stage of party rectification. In accordance with the problems found during party rectification, we should conscientiously examine the work of the CPC Committee and organ under the Military Region and absorb lessons so as to further strengthen and improve the leadership of the CPC Committee, to improve the office work, and to suit the needs of the new situation.

LIAONING CPC COMMITTEE HOLDS REPORTERS FORUM

SK101516 Shenyang LIAONING RIBAO in Chinese 29 Dec 84 p 1

[Text] On the morning of 28 December, the provincial CPC Committee held a forum of responsible persons of the central journalist units stationed in the province. The provincial CPC Committee earnestly asked for their opinions and demands, affirmed their contributions to promoting Liaoning's work in all fields, made a brief report on the province's excellent situation in 1984 and prospects for 1985, and listened to their ideas concerning their report work. Delivering speeches at the forum were Guo Feng, first secretary of the provincial CPC Committee; Dai Suli, secretary of the provincial CPC Committee; and Shen Xianhui, Standing Committee member of the provincial CPC Committee and director of the Propaganda Department of the provincial CPC Committee. Among those invited to attend the forum were responsible persons of the Liaoning branch of XINHUA NEWS AGENCY, journalists of JINGJI RIBAO stationed in Liaoning, journalists of GUANGMING RIBAO stationed in Liaoning, and journalists of ZHONGGUO QINGNIAN BAO stationed in Liaoning.

NINGXIA RELAXING ECONOMIC POLICY IN RURAL AREAS

HK101000 Yinchuan NINGXIA RIBAO in Chinese 27 Dec 84 p 1

[Report: "Regional CPC Committee and Government Formulate New Regulations on Relaxing Policies in Mountain Areas of Southern Ningxia"]

[Text] In order to implement the "circular on helping poor areas to change their appearances as soon as possible" issued by the CPC Central Committee and the State Council, and to help the southern mountain areas quickly develop production, change their backward situation, and keep up with the economic development of the whole country as soon as possible, the regional CPC Committee and People's Government recently made a decision in light of the realities of the eight counties in the mountain areas of southern Ningxia, according to which relevant policies will be further relaxed apart from continuing to implement the current policies. The main contents of the decision follows:

On the premise of maintaining the public ownership of land, the masses can choose the most suitable form of management for themselves. The contract period for cultivated land can be extended to 30 years, while that for uncultivated land and forest land can be extended to at least 50 years.

From 1985, the peasants will continue to be exempted from agricultural and animal husbandry taxation for 5 years. The state will not monopolize the purchase or assign tasks for the purchase of agricultural, forestry, animal, sideline, and native products. Grains will be purchased at negotiated prices in a "70:30 ratio," without setting a limit for purchase. As of 1985, the quota for the state's exclusive sale of grains will remain unchanged for 5 years after it is settled.

As of 1985, the existing town and township enterprises, peasants' joint ventures, household factories, and individual traders will be exempted from income tax for 5 years, and the retail enterprises in nationality trade areas will be exempted from contract charges, and the grassroots supply and marketing cooperatives will be exempted from wholesale tax for 5 years.

Enterprises from outside the region engaging in the development of production, such as establishing forest farms, fish ponds, agricultural farms, power stations, mines, and factories, and engaging in communications and transport, will be exempted from income tax for 5 years.

Production teams and commune members who borrowed money from banks or credit cooperatives before 1978 and are really unable to pay back their debts now may apply for not paying the interest thereof in light of their specific conditions, and may apply for an extension of the repayment period from 3 to 5 years.

In the 5 years beginning from 1985, the agricultural bank will grant special and preferential credits to help the peasants in the mountain areas to develop commodity production, with the interest being subsidized by the regional Finance Department.

The funds of the autonomous region for the construction of the mountain areas in Ningxia's Xihaigu and Gansu's Dingxi and Hexi (also known as the San-Xi area), for helping the poor and low-yield counties, and for helping underdeveloped areas, as well as various construction funds, must be used under unified arrangements and be balanced by the regional government. They must be mainly used in production and construction projects concerning the immediate and vital interests of the masses and be transferred to lower-level units sum after sum in accordance with different projects. The special funds of various departments for the construction of the mountain areas can only be increased in the future and cannot be reduced or withdrawn.

As of 1985, the chemical fertilizer for use in poor mountain areas must not be less than 30 percent of the regional total, and the charges for transporting chemical fertilizers, pesticides, and farm machinery to these areas will continue to be subsidized by the Finance Department.

The autonomous region can appropriately raise the proportion of funds for developing education and public health undertakings in the mountain areas and for nationality use there, and share them between various counties so that the counties can make unified arrangements for the use of the funds, such as using them as tuition fees and fees for textbooks for middle and primary school students, as funds for professional education, or as funds for education to eliminate illiteracy.

In exporting labor, contract workers must mainly be recruited from the poor mountain areas to form construction brigades engaging in building, coal production, establishing new enterprises, and foreign aid. It is necessary to organize the masses in the most difficult areas to go to the irrigated areas to conduct exploitation and construction. All regional departments concerned and the prefectoral CPC committees of the irrigated areas must help them to settle down in these areas.

It is necessary to help the mountain areas solve the problems of communications, roads, and power supply as soon as possible, and organize the masses to build roads and erect power transmission lines with state subsidies. Asphalt highways should reach every county, and sand and stone highways should reach every township by 1986; and within 5 years, all villages should be reached through dirt highways and there will be electricity in all townships.

An Agricultural Development and Construction Committee will be established by the autonomous region to lead and harmonize the construction of the mountain areas. Under this committee, a consultation group will also be established to help poor areas and counties, which will mainly consist of outstanding scientists and technicians invited from various regional units, who are familiar with industrial and agricultural production, are capable of running enterprises, and are good at conducting management.

I. 11 Jan 85

CHINA
TAIWAN

V 1

"SOURCE" REPORTS GENERAL STRIKE IN LHASA

OW100357 Taipei CNA in English 0318 GMT 10 Jan 85

[Text] Taipei, Jan. 9 (CNA) -- According to an informed source from behind the bamboo curtain, the transportation workers in Lhasa, capital of Tibet, have recently staged a general strike. According to this source, workers of a motor convoy in Tibet did not get rational pay after they completed a transportation mission, and therefore, they have gathered in front of their office complaining of the unfair treatment since Nov. 3 last year. They shouted and accused Teng Hsiao-ping of cheating them, saying Teng's promise of "additional pay for extra work" is nothing but an empty slogan.

So far, over 50 workers on strike have left their posts and begun to do other jobs, whenever there is a chance, they will tell others "don't forget that the Communists will never give up happiness." [sentence as received]

The source also said around Oct. 10 last year, some anti-communist leaflets were found nearby the "foreign guest house" and in many other places in Lhasa. The "Public Security Bureau" sent its personnel to search these leaflets house by house, and on Oct. 15, they found that three overseas Tibetans who had returned home for a visit were holding these leaflets. On the evening of Nov. 4, the security personnel arrested more Tibetans and some persons from the central part of China who were holding these leaflets. These persons have all been indicted on charge of "smuggling," the source said.

PRESIDENT RECEIVES U.S. CONGRESSMEN 8 JAN

OW090257 Taipei CNA in English 0234 GMT 9 Jan 85

[Text] Taipei, Jan. 8 (CNA) -- President Chiang Ching-kuo pointed out Tuesday that the peoples of the Republic of China and the United States have always been very friendly, saying that he believes ROC-USA relations will further improve in the future through the efforts of the two nations.

President Chiang made the remark while receiving three U.S. congressmen -- Dan Coats, R-Indiana, Frank Wolf, R-Virginia and Jack Fields R-Texas -- and their wives at the Presidential Office Tuesday morning. In addition to expressing sincere welcome to them on their visit, President Chiang also exchanged opinions with the three congressmen on the world situation and issues of mutual concern. President Chiang told the visiting dignitaries that the ROC and the U.S. not only have similar political systems but also treasure the same political ideals. He said through their visit and direct contacts with the people here, the three U.S. congressmen may have a better understanding of this nation and thus establish a consensus that the two nations will benefit if they cooperate. President Chiang also expressed gratitude to these congressmen for their support of this nation in the past, saying that he believes ROC-USA relations will further improve through the efforts of the two nations.

The three visitors, on the other hand, expressed their admiration for President Chiang, saying that they appreciated that the president could receive them during their first visit to this nation. The three congressmen said the visit has enabled them to better understand this nation and consolidated their belief in support of this nation.

Vice Foreign Minister Ding Mou-shih was also present during the interview.

**END OF
FICHE**

DATE FILMED

14 Jan 1985

